

Theatre in Washington

Words and music

by FRANK LIPSIUS



A scene from 'Nightclub Cantata' with, left to right, Mark Zaegaski, Karen Evans, Rocky Greenberg, Josie DeGuzman, JoAnna Peled, David Schechter, and Paul Kandel.

It is always a pleasure to go to Washington to catch up on the activities of the Arena Stage complex. One of the finest American repertory companies and a leader in the loose amalgam of regional theatres, it has long specialised in introducing European plays to American audiences. In previous seasons, they have done the Hungarian *Cataplay* as well as premier in the U.S. works by Beckett and Ionesco.

Among their first plays this season is *The National Health*. Performed in their large concrete theatre-in-the-round, Peter Nichols' conception of a claustrophobic Victorian hospital ward with gothic windows and green walls has been replaced with a more open, antiseptic atmosphere instilled with great activity, much of it pointless scurrying by scottish nurses. Gothic windows do indeed hang suspended from the Arena Stage ceiling, but they only serve to block the view, while Nichols' perception of futile ministerings is well translated into the terms of an open-space theatre.

Attending British accounts put the cast at some disadvantage, since it forced them into swallow-gut good lines in the effort to sound Scots or Jamaican. It was, however, essential to maintain the British context of Nichols' play in order not to

lose other satiric points, as the director David Chambers realised. An explanation of the National Health Service comes in the programme notes, with the words of the Parliamentary Act establishing the NHS adorning the programme cover. Accent apart, the cast went through its pages with charm and vigour. The play now at the Arena's smaller Kreeger Theatre does better at showing off the company's adventurous spirit. Written by 25-year-old Elizabeth Swados, *Nightclub Cantata* consists of 21 pieces, most of them poems, to which Miss Swados has supplied the music. The seven performers, accompanied by pianist and drummer, take

prize "The Pastrami Brothers," a gymnastic team in garish purple uniforms. They do spectacular feats, showing considerable human frailty and vanity, for which they take deep bows and get back loud laughter. "Ventriloquist and Dummy" represents the revolt of the dummy, who insults the audience and demands that the ventriloquist exchange places with him. "Bird Chorus" and "Bird Lament" use no words at all, but do show off the beautiful voice of Jessie DeGuzman. "Diharti," taking the words of David Avidan, presents two people across the stage from each other standing in front of a door. They shout back and forth in Hebrew and translate it as they go in an exchange worthy of Jules Feiffer. "I spoke to you of love, you spoke to me of marriage," is the kind of chanting accusation they indulge in. In a lighter vein, the whole cast dresses up as young toughs and sing of "Indecision" with the gusto of a chorus from *West Side Story*. The bird exercises reflect Miss Swados' work with Peter Brook, especially her experience on their African tour. She has long been associated with La Mama company and gained particular attention last season for her work with Andrei Serban, who directed plays for both La Mama and the New York Shakespeare Festival.

The Entertainment Guide is on Page 13

ADC, Cambridge

Three Beckett premieres

by B. A. YOUNG

While Oxford's Playhouse Company gives *Brand* at Cambridge's Arts Theatre, a kind of chamber group detaches itself to give a Beckett programme at the ADC. The three items in it are billed as world premieres, and so they are, as far as the stage is concerned, but they are not new.

Theatre II and *Theatre III* were written in 1958, comes in a volume called *Ends and Odds* (they are included under *Odds*); this was published by Faber last April (£2.75, 104 pages). From an *Abandoned Work* written in 1958, comes in *Brand* and *Other Short* (also Faber, March 1972, in those days 50p for the 48-page paperback, but I suppose inflation may have caught up with it).

From an *Abandoned Work* wouldn't be considered a theatre work if it were by anyone else. It is a monologue, like an extract from *Molloy* or *Texts* for North-

ing, for a sick old man ruminating on former times. "I have never in my life been on my way anywhere simply on my way," gives a key to the style of thought and speech, though the speaker may have killed his mother and father and was once attacked by stoats.

Peter O'Shaughnessy, who is the evening's director as well as the Provost in *Brand*, speaks the piece in a deep growl incorporating the sore throat the writer complains of. He would have done better to leave it abandoned, were it not for the in- explainable value ascribed to every word Beckett ever wrote. We don't ask to hear all the jottings from Beethoven's sketchbooks as well as his finished symphonies. Beckett should make more use of his wastepaper basket. *Theatre I* is an encounter be-

Wyndham's

Rita Hunter

In lieu of the promised *Liederabend* by the ailing Lucia Popp, Rita Hunter offered an impromptu entertainment. It consisted, so far as one could tell, of what happened to come to mind; and what came to mind was a recital in the manner of the Italian opera with piano accompaniment. Haze of Vivienne succeeded in reminding one of the original music) interspersed with numbers by Sigmund Romberg and Ivor Novello; the programme revealed itself only little by little, as Miss Hunter declared each item from the stage, since there had been too few days' notice to print anything. One didn't know, for example, that "Smiling Through" was to follow "Porzi amor," until it did.

In the agreeable intimacy of Wyndham's—and the stage did not seem larger for containing only Miss Hunter, two fine-potted palms and the grand piano and pianist—the soprano's full powers were not required. Apart from "Porzi amor" (too 19th century in feeling) she sang her Italian only for two excerpts from *Aida*; they were not

Rainbow

Greg & Cher Allman

London was divided on Thursday night—should it put its weight behind Southside Johnny and the Ashbury Jukes at Hammersmith Odeon or Greg and Cher Allman at the Rainbow? Southside Johnny is jollier and represents the fresher music in that deep sultry voice. Greg and Cher Allman, an altogether much more passive figure, is first his keyboards or picks at a guitar, although he was moved to words once when water dripped on to his head.

In time the appeal of opposition, the dominating Cher with her yards of black hair, her plunging jump suit, and her matrimonial content of Greg, combined with his detached and drained appearance could make a powerful act. The new music doesn't seem very real yet, and the addition of a brass section produces a rather uncomfortable progressive muzak sound, but when everyone relaxes more it could develop some integrity. own music, based around their

German theatre

Ayckbourn and German boulevard

Give him a few more years, and Alan Ayckbourn may be the most popular playwright in German theatre. His *The Norman Conquests* (Normans *Eroberungen*) has been running for three seasons at the Schlosspark-Theater in Berlin. Prior to that success, *Abstrud Person Singular* (Frocks Fest) made the rounds of many top subsidised houses, as Boy Gobert's *Thalia Theater* in Hamburg.

Two reasons are generally given for his popularity. The first is that Feydeau's farces were the rage at the end of the last decade; the next step to Ayckbourn's farcical comedies was an easy one. The second is that a crisis hit German theatre hard after "outside" plays of dramatic merit were exhausted in the 1950s; since home talent had never been sufficiently supported, the subsidised houses looked to England for new plays and discovered Ayckbourn in the process. Another reason is just as plausible and probably the most accurate. German boulevard theatres, that is the private houses, thrived on playwrights like Nell Simon and Alan Ayckbourn while the big brothers

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Schwarzkopf

by DAVID MURRAY

country night. Mme. Schwarzkopf, a middle-aged woman, is the first to sing, and she sings with a wry, amused observer, and yet keep the situation within a single view. By contrast, the other women in the play, "Trau' nicht der Liebe," served only to etch the shape of the whole song more holdily.

Everything after that came from Wolf's Italian Songbook, sovereign territory for Schwarzkopf. Most of these songs are character-voicettes, which she renders with such flawless attention to the musical notes of Wolf's settings as to defeat commentary: one can't be that precise in print. This time there were fresh nuances and shades, as if the young women in question was delighted with documentary sharpness. The triumphant climax of "Ich hab' in Penna," like the lovely Roated notes in "Wir haben beide..." was, though it seems to me that his student-fiddler postlude to "Wie lang schon" is, becoming broader without being proportionately funnier.

trial Hall

Paul Tortelier

NICHOLAS KENYON

step onto a concert stage quicker than Paul and the purposeful of his walk is equally of his playing. True, in his hands is still the key of classic warmth and reflection familiar to the greatest players. A dominating impression of his playing is quite of his expression, and the strength with which he plays even the simplest

might he was playing to his daughter, Maria da and they gave two show- the Schubert - Arpeggio and the Paganini Variations one string neither of which was originally intended cello. Tortelier's art was well demonstrated. In the Kodaly Sonata cello, which had some of the grace on their feet with him by the end of the first half. It was the extra re- which Kodaly gave the tuning down the bottom strings (so that the whole ant produces that rich, most flexible.

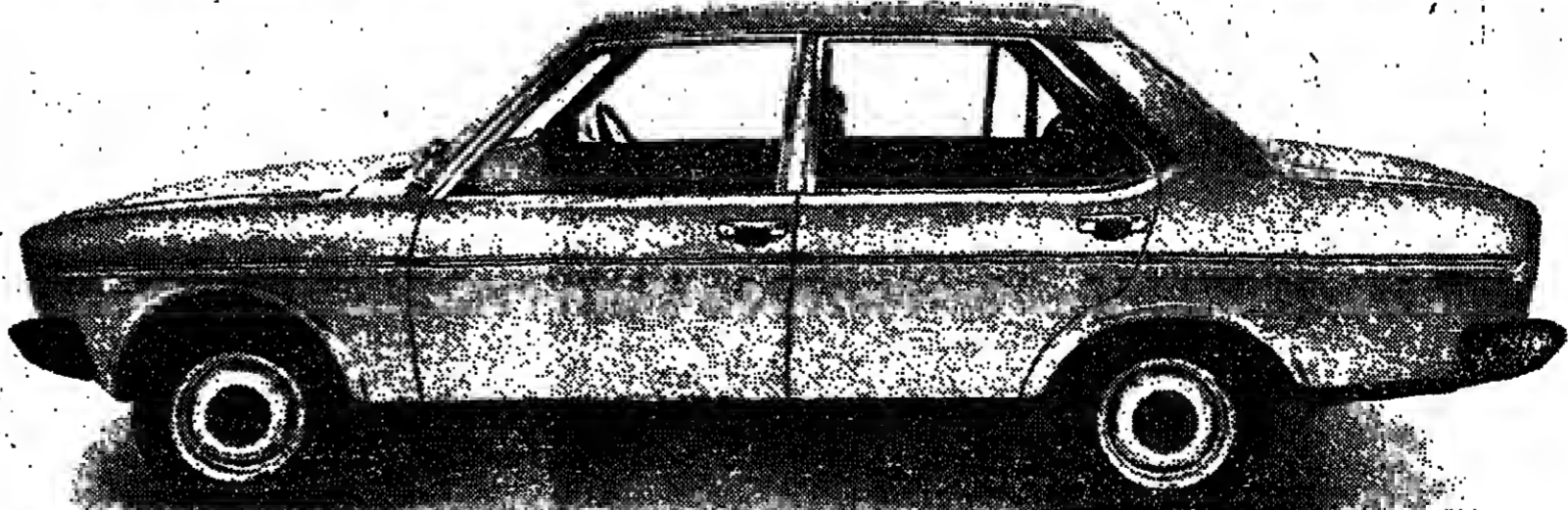
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OVERSEAS NEWS

Muzorewa-Smith talks likely to start this week

BY TONY HAWKINS

WITH THE acceptance by Bishop Abel Muzorewa of Mr. Ian Smith's "interim settlement" initiative, the way is open for preliminary talks to get under way in Salisbury this week.

Iran admits student arrests

By Our Own Correspondent

TEHRAN, Nov. 27. AFTER ALMOST two weeks of political disturbances on city streets and university campuses, the Iranian authorities have at last confirmed that arrests are being made.

Soviet nuclear 'accidents'

By David Bell

WASHINGTON, Nov. 27. THE CENTRAL Intelligence Agency has released portions of 14 hitherto secret reports which describe two purported nuclear accidents in the Soviet Union, one of which may have killed hundreds of people and maimed thousands more.

Ferrenka strike collapses

ALL 1,400 employees at the Ferrenka steel factory at Limerick in the Irish Republic will return to work tomorrow following a ministerial warning that the 20m. plant was facing permanent closure.

Mine strike 'inevitable'

DECLARING that a mining strike was now inevitable on December 6 when the existing three-year contract runs out, Mr. Arnold Miller, President of the United Mine Workers of America has walked out of wage negotiations with the Bituminous Coal Operators' Association in Washington, writes Stewart Fleming.

Soviets hatching a 'super-mini'

BY DAVID SATTER

SOVIET engineers are designing a hatchback "supermini" car which will be completely Soviet-designed and built and is intended to compete with popular Western models of the 1980's, Soviet export officials have disclosed.

Zia orders five-year plan

THE Interim military Government in Pakistan has ordered the preparation of a new five-year plan with emphasis on increased production of basic food stuffs, improved manpower training so that Pakistanis can work overseas, and a greater role for the private sector of industry.

Siemens wins \$40m. Argentinean order

By Max Wilkinson SIEMENS OF Germany has won a \$40m. contract for supplying telephone exchanges and lines to the Argentinean telephone authority. The company will provide the state-owned Enitel (Empresa Nacional de Telecomunicaciones) with 77,000 new telephone to urban central exchanges.

U.S. money supply up slightly

NEW YORK, Nov. 28. A MODEST increase in the U.S. money supply last week and evidence of greater flexibility in the Federal Reserve Board's monetary policy have created a sense of stability in the New York money markets.

Brazil cuts Carajas iron ore development

BY DAVID WHITE

BRAZIL has scaled down by a third its planned iron ore development in the Amazonian region, the biggest known reserve of its kind in the world.

SALISBURY, Nov. 27.

not most of the Zanla (those loyal to the Mughe wing of the Patriotic Front) guerrillas may have been "recruited" in the name of the Bishop's UANC. It is questionable whether many of them retain that loyalty.

Iran seeks \$890m. development loans

BY ANDREW WHITLEY

TEHRAN, Nov. 27. IRAN IS currently negotiating foreign loans totalling \$890m. The borrowers are four State agencies, who need the funds for general development purposes.

Andreotti plans austerity package to satisfy IMF

BY DOMINIC J. COYLE

ROME, Nov. 27. A FURTHER ROUND of austerity measures is expected to follow yesterday's meeting of Italian economy Ministers aimed at cutting the public sector deficit next year to a level somewhat closer to the underlying deficit.

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WORLD TRADE NEWS

London heads the list

BY COLINA MacDOUGALL

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CHINESE TALKS IN EUROPE

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WORLD ECONOMIC INDICATORS

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S. W. FARMER GROUP LIMITED

(Incorporated under the Companies Acts 1948 to 1976 and registered in England No. 1310502)

Share Capital

Authorised
£750,000

Issued and fully paid
£581,342.50

Indebtedness

At the close of business on 4th November, 1977 the Company and its subsidiaries had outstanding mortgage loans of £31,236, secured bank overdrafts of £318,820 and contingent liabilities in respect of guaranteed and indemnities given amounting to £436,212. Liabilities in foreign currencies have been converted into sterling at the rates of exchange ruling on that date. Save as disclosed herein and apart from intra-group transactions, neither the Company nor any of its subsidiaries had outstanding at that date any loan capital, mortgages or other borrowings or indebtedness in the nature of borrowing, including bank overdrafts and liabilities under acceptance (other than normal trade bills) or acceptance credits, hire purchase commitments, or guarantees or other material contingent liabilities. At the same date the Company and its subsidiaries had credit bank balances totalling £1,158,619.

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The ordinary shares now being placed rank in full for all dividends hereafter declared or paid on the issued ordinary share capital of the Company.

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Brian Derek Farmer, (Group Managing)
Courthill Road, Lewisham, London SE13 6HD.

Andrew William Moir Farmer, (Managing: services division)
Courthill Road, Lewisham, London SE13 6HD.

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Courthill Road, Lewisham, London SE13 6HD.

Cecil Robert Charles Rhodes, F.C.A., (Financial)
Courthill Road, Lewisham, London SE13 6HD.

Brian Justin Prichard,
8 & 9 New Square, Lincoln's Inn, London WC2A 3QJ.

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Solicitors to the Company

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Solicitors to the Placing

Clifford-Turner,
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Joint Reporting Accountants

Peat, Marwick, Mitchell & Co.,
Chartered Accountants, 1 Pudding Dock, Blackfriars, London EC4V 9PD.

Auditors and Joint Reporting Accountants

Dearden Farrow,
Chartered Accountants, 5/6 Giltspur Street, London EC1A 9DF.

Secretary and Registered Office

C. R. C. Rhodes, F.C.A.,
5/6 Giltspur Street, London EC1A 9DF.

Registrars and Transfer Office

Samuel Montagu & Co. Limited,
116 Old Broad Street, London EC2N 1AN.

HISTORY

The Company was incorporated on 26th April, 1977 to acquire the whole of the issued share capital of S. W. Farmer Holdings Limited ("Holdings"), a company which originated from the firm of blacksmiths established in South London in 1898 by Mr. Sydney William Farmer, father of the present chairman. The Company is the holding company of a group of companies specialising in the design and fabrication of structural steelwork and platework. In 1974 and 1975 Holdings acquired from the Farmer family the share capital of certain companies which, although separately owned, had since their incorporation been managed as a single business for all trading purposes. The Company and its subsidiaries are together referred to as the "Group".

BUSINESS

The Company's operating subsidiaries, all of which are wholly-owned, are managed in two divisions. The steel division comprises S. W. Farmer & Son Limited ("Farmer"), the principal operating subsidiary, S. W. Farmer & Son (Darlington) Limited, S. W. Farmer & Son (Leeds) Limited, Farmer Offshore Limited and S. W. Farmer International Inc. The services division comprises Shot Blasting & Metal Spraying Company Limited, Silwood Hire Company Limited and Farmer Freight Limited.

(a) Steel division

Companies within the steel division design, fabricate and, in certain cases, erect structural steelwork for the petro-chemical industry and civil and industrial projects, refinery furnaces for the oil and chemical industries, miscellaneous light steel fabrications and offshore cranes and structures. Whilst the division undertakes work for many sectors of industry both in the United Kingdom and overseas, in recent years an increasing proportion has been related to on-shore installations for the oil and petro-chemical industries and in 1976 these installations accounted for about 73 per cent. of the division's turnover. Customers include major oil companies and refinery contractors throughout the world. Exports have accounted for an increasing percentage of sales, a record which was recognised when Farmer received the Queen's Award for export achievement in 1976. Over the last three years exports have averaged approximately 56 per cent. of Group turnover. Contracts from industries other than oil and petro-chemicals are normally obtained by tender, whereas contracts from the oil and petro-chemical industries are obtained by tender and negotiation.

Over the last three years the largest series of related contracts obtained by the Group was valued at about £15 million. The majority by value of contracts obtained have been in the range of £100,000 to £1,000,000. Whilst the Group undertakes smaller jobs the trend is for it to enter into an increasing number of contracts valued at more than £100,000.

Companies in the division act either as main contractor or sub-contractor within normal contractual arrangements current in the construction industry. The use of escalation formulae is largely considered on long-term contracts and it is the present policy of the Group that no major erection work is undertaken without reasonable safeguards for cost escalation. The steel division has comprehensive facilities for the Group's manufacturing premises in London, Leeds and Darlington for the fabrication of light and heavy structures and furnaces incorporating steel sections and plate. Design and drawing offices are maintained at each main location and in addition drawing offices are located at Morley, near Leeds and at Maidstone. The Group currently employs approximately 70 draughtsmen. The steel division has its own permanent construction force to erect steelwork on site where required and provides supervisory staff for overseas contracts. In 1977, S. W. Farmer International Inc. was established to undertake steel erection contracts overseas; it operates from Bahrain where it has a resident director.

(b) Services division

Companies in the services division draw a significant part of their business from Group companies in the steel division but also undertake work for external customers and are treated as separate management and profit centres. Shot Blasting & Metal Spraying Company Limited provides a finishing and paintwork service for structural steelwork and has one of the largest shot blasting facilities of its kind in the London area. Farmer Freight Limited provides a freight service for the steel division in the collection and packing of structural steelwork and in the preparation of shipping documents. Silwood Hire Company Limited operates a fleet of approximately fifteen self-propelled cranes with a wide range of lifting capabilities, which are hired with driver-operators to outside customers, mainly in London and the South East, as well as to Group companies. It also engages in the sale and hire of miscellaneous items of industrial plant, including portable accommodation units. A travel agency, which in 1976 contributed approximately 18 per cent. of the division's turnover but an insignificant proportion of its profits, was sold recently.

(c) Associated companies

The Company holds 50 per cent. of the issued share capital of Monier Farmer Proprietary Limited, an Australian company which was originally engaged in structural steelwork but now only has a 20 per cent. interest in a company which manufactures oil drums. It also acts as an agent for the Group in Australia.

The Company holds a 50 per cent. interest in Firouza-Farmer Co. Iran ("Firouza-Farmer"), which is incorporated in Iran and is a joint venture with Firouza Engineering Limited, an Iranian structural engineering company. Firouza-Farmer acts as the Group's agent in Iran where a full time executive of Farmer is resident.

The Company has agreed to acquire a 25 per cent. interest in Tomlander Limited, a private company engaged in welding and fabricating pipework. The acquisition will extend the Group's furnace manufacturing activities and provide further opportunities in this market. Tomlander Limited is shortly to occupy larger premises in the Manchester area purchased by the Company and these will enable further work to be undertaken.

(d) Turnover and profits

A breakdown of the Group's turnover and profit before taxation and extraordinary items in recent years is set out below together with an analysis of the steel division's external sales as between various product categories and home and export markets.

Year ended 31st December, 1972 1973 1974 1975 1976

(1) Group turnover (£'000)

Steel division

External turnover 3,822 4,092 5,551 7,862 8,668

Services division

Total turnover 516 711 889 1,823 2,332

less: intra-group turnover 282 319 464 1,205 1,449

External turnover 234 392 425 617 854

Group turnover 4,056 4,484 5,976 8,479 9,522

(2) Group profit before taxation (£'000)

Steel division 254 12 371 498 582

Services division 18 31 15 66 112

Associated companies 272 43 386 524 723

Total Group profit before taxation and extraordinary items 544 86 772 1,156 1,417

(iii) Steel division sales analysis (per cent.)

Product analysis	1972	1973	1974	1975	1976
Structural steelwork	62	68	69	60	47
Refinery furnaces	31	23	32	33	39
Other	7	9	9	7	14
	100	100	100	100	100
Geographic distribution	1972	1973	1974	1975	1976
United Kingdom	67	70	46	47	40
Europe	2	3	1	1	7
North America	1	1	12	1	1
Middle East	26	21	37	48	48
Other	4	5	4	3	4
	100	100	100	100	100

MANAGEMENT AND STAFF

Mr. Sydney Farmer, chairman, is aged 65 and has been a director of Holdings since 1935. He is also chairman of each of the Company's subsidiaries, and represents the Group's interests on a number of national and international trade associations. Mr. Farmer will retire as chairman of all Group companies on 31st December, 1977, but will continue to serve as a non-executive director and give the Group the benefit of his long and diverse experience in the industry.

Mr. Brian Farmer, Group managing director, is aged 48 and is the son of a former chairman of Holdings and joined the Group in 1950. He has wide experience of the Group's operations in both the services division and the steel division. He was appointed Group managing director in October, 1974. He also represents the Group in various trade associations and related organisations. He will become chairman of all Group companies and chief executive of the Group on 1st January, 1978.

Mr. Kenneth Schofield is aged 50. He joined the Group in June, 1975 as managing director of Farmer and was appointed a director of Holdings in January, 1976 when he also became managing director of the steel division. Prior to joining the Group, he had extensive experience in the management of other public companies engaged in steelwork fabrication, engineering and erection.

Mr. Andrew Farmer is aged 33 and is the son of the present chairman. He joined the Group in 1964 and was appointed a director of Holdings in April, 1972. He became managing director of the services division in January, 1976.

Mr. Robert Rhodes is aged 50 and is a chartered accountant with a background of management in a public company. He joined the Group in October, 1972 and was appointed a director of Holdings in March, 1975. He is also secretary of all the Group companies in the United Kingdom and is responsible for finance and accounting.

Mr. Brian Prichard is aged 52 and is a senior partner in Rooks, Rider & Co., the Company's solicitors, and has experience of public company management. He was appointed a non-executive director of Holdings in June, 1976.

The executive directors, other than the chairman whose service contract with Holdings and certain operating subsidiaries expires on 31st December, 1977, have all entered into service contracts with the Company, details of which are set out in paragraph 6 (iii) of appendix IV below.

The directors are supported in the day to day management of the Group's operations by divisional boards of management which include seven executive directors of subsidiaries. All the divisional directors have entered into service contracts with their employing companies.

Under the terms of their service agreements, the executive directors are entitled to commission on profits at varying rates and, in addition, other executives of the Group are also entitled to such commission pursuant to their contracts of employment. The terms on which commission is payable are fixed by the directors at the beginning of each financial year in respect of the financial year. For the year ending 31st December, 1977, the commission is payable on the audited net profits (less losses) before tax in excess of £20,000 but not exceeding £1,000,000 of certain subsidiaries. The total amount of commission paid for the year ended 31st December, 1976 was £59,833 and the directors anticipate that, in respect of 1977, the total amount of commission will be approximately £60,000. The limit on the total commissions payable in respect of any one year is 10 per cent. of the audited consolidated net profits before taxation of the Group. The Board has no intention of increasing this limit and has resolved that it may not be increased without the prior approval of the Company in general meeting.

The Group has approximately 630 full time employees of whom approximately 250 are salaried staff. There is a contributory staff pension scheme. Labour relations are good, no significant disruptions to production having been experienced with the exception of isolated incidents in connection with erection contracts.

PREMISES

The Group has five main premises, namely the head office and factory in Lewisham, factories in Ladwell and Beconsfield, all in South London, and factories at Leeds and Darlington. The Lewisham site has been the base for the business since it began, though it has been developed and extended over the years. The Leeds factory was recently built by the Group on a site which when it was acquired, was more than adequate for the Group's immediate needs. The building was designed and constructed in such a way that it can be extended to cope with increased production without being structurally altered or strengthened.

The Group's properties were valued as at 3rd October, 1977 by Donaldson & Sons, Chartered Surveyors, at an aggregate sum of £1,089,350. The Leeds and Darlington properties were valued on the basis of their existing use and further development potential and the rest of the Group's properties were valued on the basis of their existing use. Further details of all the Group's properties are set out in appendix II.

In addition, the Company has agreed to purchase for £78,500 the leasehold interests in premises in the Manchester area to be occupied by Tomlander Limited.

WORKING CAPITAL

The directors are of the opinion that, having regard to the bank and other facilities available, the Group has adequate working capital for its present requirements.

PROFITS AND PROSPECTS

As shown in the joint accountants' report in appendix I, the turnover of the Group has risen during the five year period to 31st December 1976, from £4,056,300 to £9,522,000 and the consolidated profit before taxation and extraordinary items has increased from £296,999 to £1,417,000.

The results for 1972 reflect the successful completion of a number of contracts larger than had previously been undertaken by the Group. In 1973, a combination of difficult trading conditions and inflationary cost increases substantially reduced profitability. A low level of enquiries for new work necessitated the taking of lower value contracts at reduced margins which were further eroded by higher costs. However, no significant losses were sustained on any contracts taken or completed in 1973 and the Group's manufacturing and financial resources were adequately maintained to take advantage of the subsequent improvement in trading conditions. In 1974 and 1975 the Group was able to continue its policy of seeking more specialised, higher value contracts. 1976 was again a record year

for the Group and further growth in turnover and profits was achieved. As stated in the accountants' report, the reported profits of each financial year reflect to a material extent the outcome of work carried out in earlier years. The impact of this has been most marked in the case of the series of contracts referred to above under Business (Steel division). These contracts contributed 30 per cent. of the steel division's turnover in 1975 and 46 per cent. in 1976, and were largely completed by 31st December, 1976. A proportion of profits was taken in 1976, but as a result of provisions outstanding at 31st December, 1976, and subsequently released, the contracts have contributed nearly 40 per cent. of the steel division's profit before taxation for the year ending 31st December, 1977, and further provisions are still outstanding pending commissioning of plants to which the contracts relate.

For the six months ended 30th June, 1977, Group turnover was £5,741,000 and Group profit before taxation and extraordinary items was £200,000. The Directors are of the opinion that, in the absence of unforeseen circumstances, Group profit before taxation, and extraordinary items for the year ending 31st December, 1977, will be not less than £350,000.

The principal assumptions on which this forecast is based are set out in appendix III together with copies of letters relating to the forecast from the joint reporting accountants and from Samuel Montagu & Co. Limited.

The directors view the prospects of the Group for 1978 with confidence. In recent months there has been a noticeable improvement in the quality and margins of contracts in hand and substantial export contracts have been obtained for fabrication during the early part of 1978. The current order book is equivalent to five months' work, the highest level for over two years. The directors believe that the requirements for new refinery plant to process North Sea oil should provide a substantial market for the Company's products in the United Kingdom.

Factories and drawing offices are working at full capacity and the Group's capital expenditure programme will be concerned with further modernisation, improvement and expansion.

DIVIDENDS AND ALLOCATION OF PROFITS

It is the intention of the directors to recommend a dividend on the ordinary shares in respect of the year ending 31st December, 1977, payable in June, 1978, of such amount per share as will, together with the associated tax credit, produce a gross equivalent of 7.59p per share. At the current rate of taxation, this recommended dividend would be 5.05p per share.

If the above profit forecast had related to a year during the whole of which the issued share capital of the Company had been listed, the directors would have expected to recommend dividends of such amount as would, together with the associated tax credits, have produced a gross equivalent of 11.50p per share; at the current rate of taxation, such dividends would have been 7.59p per share. It is intended that interim and final dividends will be paid annually in December and June, respectively.

On the basis of the current rate of associated tax credit, the allocation of profits before taxation and extraordinary items would be as follows:

Group profit before taxation	£350,000
Less: corporation tax at the rate of 52 per cent.	(£182,000)
Earnings after tax attributable to shareholders	£168,000
Cost of annual dividends totalling 7.59p per share on 2,225,370 ordinary shares	(£176,500)
Retained earnings	£21,500

These annual dividends would be covered 2.31 times by the Group earnings after tax shown above.

On the basis of the number of ordinary shares in issue, the earnings per share would be 17.59p. Accordingly, at the placing price of 104p the price/earnings ratio would be equivalent to a gross dividend which, together with the associated tax credit, would be 11.06 per cent.

Appendix I

Accountants' Report

The following is a copy of a report received from Peat, Marwick, Mitchell & Co. and Dearden Farrow, Joint Reporting Accountants, dated 27th November, 1977.

We have examined the audited accounts of S. W. Farmer Holdings Limited ("Holdings") and of its subsidiaries and associated companies which have been prepared under the historical cost convention in accordance with the Companies Act 1967 and the Companies (Accounts) Regulations 1967. The accounts of these subsidiaries which were acquired by Holdings from the Farmer family on 31st December, 1975, in exchange for an issue of shares have been included in the consolidated accounts for the year ending 31st December, 1977, and the results and net assets of certain subsidiaries' accounts for each year have been included in the consolidated accounts of Holdings and the Group. The auditors of the subsidiaries have been the auditors of Holdings and all the Group companies for the relevant periods. The associated companies have been audited by other firms.

The summarized profit and loss accounts, balance sheets and statements of assets and liabilities set out below are based on the audited accounts after making such adjustments as are necessary in our opinion to ensure that they conform with the provisions of the Companies Act 1967 and the Companies (Accounts) Regulations 1967. The adjustments have been made to give effect to the provisions of the Companies Act 1967 and the Companies (Accounts) Regulations 1967 and to give effect to the provisions of the Companies Act 1967 and the Companies (Accounts) Regulations 1967.

	1977	1976	1975	1974	1973
Turnover	9,522	4,056	4,056	4,056	4,056
Operating costs	(8,105)	(3,760)	(3,760)	(3,760)	(3,760)
Operating profit (see note 1)	1,417	297	297	297	297
Operating profit (see note 1) after associated companies	1,417	297	297	297	297
Profit before taxation and extraordinary items	1,417	297	297	297	297
Less: corporation tax	(740)	(156)	(156)	(156)	(156)
Profit after taxation and extraordinary items	677	141	141	141	141
Profit available for appropriation	677	141	141	141	141
Profit retained	215	141	141	141	141

We note the declaration of the recommended dividend of 7.59p per share in respect of the year ending 31st December, 1977, and the payment of such dividend in June, 1978, of such amount per share as will, together with the associated tax credit, produce a gross equivalent of 11.50p per share; at the current rate of taxation, such dividends would have been 7.59p per share. It is intended that interim and final dividends will be paid annually in December and June, respectively.

محمد حسن الأحول

Balance sheet		The Group		30th June 1977		30th June 1976	
	1977	1976	1977	1976	1977	1976	1977
Fixed assets	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Current assets	100	100	100	100	100	100	100
Current liabilities	100	100	100	100	100	100	100
Shareholders' funds	1,000	1,000	1,000	1,000	1,000	1,000	1,000

Statements of source and application of funds		The Group		30th June 1977		30th June 1976	
	1977	1976	1977	1976	1977	1976	1977
Operating surplus	100	100	100	100	100	100	100
Dividends	100	100	100	100	100	100	100
Reserves	100	100	100	100	100	100	100

Accounting policies:
The following accounting policies reflect the application of the following accounting policies and compliance with the Companies Act 1967 and Accounting Practice numbers 1-6 and 8-10 throughout the period under review.

Fixed assets: Land and buildings are valued at market value less depreciation. Plant and machinery are valued at cost less depreciation. Depreciation is provided on a straight-line basis over the estimated useful life of the assets.

Current assets: Stocks are valued at the lower of cost and net realizable value. Debtors are valued at the amount receivable, less provision for doubtful debts.

Current liabilities: Liabilities are valued at the amount payable, less provision for doubtful liabilities.

8. Leasehold redemption policy
The policy is intended to provide funds towards the redemption of certain leasehold premises. Annual payments of £1,000 are payable until 1984 when the policy matures. The redemption value of the policy at 30th June 1977 was £12,500.

9. Investments in subsidiaries
The investment in subsidiaries at 30th June 1977 comprised:
Shares of 100,000
Amounts due from subsidiaries 1,200
Amounts due to subsidiaries 1,200
Total 2,400

10. Associated companies
The interest in associated companies at 30th June 1977 was:
Shares of 100,000
Loans and amounts due from associated companies 1,200
Total 1,300

11. Listed investment
Listed investment at cost £100
Market value at 30th June 1977 £100

12. Borrowings
At 30th June 1977 Holdings had a bank overdraft of £525,000 and overdrafts and bank overdrafts totalling £600,000 of which were secured and were the property of Group entities.

13. Deferred taxation
Deferred taxation at 30th June 1977 comprised:
Corporation tax on surplus on revaluation of land and buildings 120
Income tax on surplus on revaluation of land and buildings 120
Total 240

14. Reserves
The movements on the Group reserves were as follows:
Operating surplus 100
Dividends 100
Reserves 100
Total 300

15. Capital expenditure
Capital expenditure authorized at 30th June 1977 by the Group amounted to £100,000. Holdings had none of which had been contracted.

16. Lease commitments
A subsidiary company has commitments to pay rentals under leases of plant and machinery amounting to £100,000 extending for up to five years from 30th June 1977. The maximum commitment in any one year is £20,000 payable in 1978.

17. Contingent liabilities
At 30th June 1977 the Group had contingent liabilities in respect of indemnities given by Holdings and its subsidiaries in relation to sales and other contracts amounting to £500,000. Holdings had no contingent liabilities of the bank overdrafts of subsidiary companies which at 30th June 1977 amounted to £600,000.

18. Pension scheme
The S. W. Farmer Group Pension Fund is an insured scheme the balance of which is not guaranteed by Holdings. An actuarial review of the Fund in 1977 has indicated that the balance of the Fund is sufficient to fund the members' vested entitlements at that date.

Subsequent Group reorganization
On 23rd November 1977 the authorized share capital of the Company was increased from £100 to £250,000 comprising 250,000 ordinary shares of 1p each. On the same date 190,148 ordinary shares of 1p each of the Company were cancelled. The increase in share capital was effected by the issue of 50,852 ordinary shares of 1p each. The new shares were issued at a price of 100p per share. The total amount of the issue was £5,085,200. The new shares were issued to the existing shareholders of the Company in proportion to their holdings of the old shares. The new shares were issued on 23rd November 1977. The new shares were issued at a price of 100p per share. The total amount of the issue was £5,085,200. The new shares were issued to the existing shareholders of the Company in proportion to their holdings of the old shares.

Appendix II		Group properties	
Property	Description	Approximate value at 30th October 1977	Approximate value at 30th October 1976
Cornhill Road, London, EC1A 3DD	A freehold property consisting of a building, a range of industrial units and an open area.	1,200	1,200
Peckham Road, London, SE16 2JY	A freehold property consisting of a building, a range of industrial units and an open area.	1,200	1,200

Appendix III
Profit forecast
The directors' forecast of Group profit before taxation and extraordinary items for the year ending 30th June 1978 is £100,000. The forecast is based on the assumption that the Group will continue to operate in the same manner as in the year ending 30th June 1977. The forecast includes results relating to the profit forecast are also set out below.

1. Assumptions
a) Production will not be materially disrupted as a result of internal or external labour disputes.
b) There will be no major changes in the Group's operating costs.
c) There will be no major changes in the Group's operating income.

2. Letters
a) From the joint reporting accountants.
b) From Samuel Montagu & Co. Limited.

2. The subsidiaries
The Company has the following subsidiaries all of which are wholly owned by the Company (incorporated in England, except 3 W. Farmer International Ltd. which is incorporated in Panama):

Subsidiary	Date of incorporation	Share capital
S. W. Farmer Subsidiary	27th July 1976	£100,000
S. W. Farmer & Son Limited	10th April 1965	£100,000
S. W. Farmer & Son (Overseas) Limited	10th April 1965	£100,000
S. W. Farmer & Son (International) Limited	10th April 1965	£100,000
S. W. Farmer & Son (International) (Overseas) Limited	10th April 1965	£100,000

3. Contract with Samuel Montagu & Co. Limited
Under contract 30th June, Samuel Montagu & Co. Limited ("Samuel Montagu") has agreed, subject to the terms of the contract, to purchase from the Company a total of 250,000 ordinary shares of 1p each, being approximately 10% of the issued share capital of the Company. The contract provides that the purchase price shall be 100p per share. The contract also provides that the purchase price shall be paid in cash. The contract also provides that the purchase price shall be paid in cash. The contract also provides that the purchase price shall be paid in cash.

4. Articles of Association
The Articles of Association of the Company contain provisions relating to the following matters:
a) The powers of the directors.
b) The powers of the shareholders.
c) The powers of the company.
d) The powers of the company.

5. Material contracts
The following contracts have been entered into by the Company or its subsidiaries, otherwise than in the ordinary course of business, during the two years immediately preceding the date of this document and are, or may be, material:
a) Dated 31st December, 1975 between S. W. Farmer & Co. and S. W. Farmer & Co. Limited.
b) Dated 31st December, 1975 between S. W. Farmer & Co. and S. W. Farmer & Co. Limited.
c) Dated 31st December, 1975 between S. W. Farmer & Co. and S. W. Farmer & Co. Limited.

6. Directors and other interests
The following table shows the names of the directors and other persons who are, or have been, directors of the Company and the number of shares of the Company held by them:
Director: S. W. Farmer, 1,000 shares.
Director: S. W. Farmer, 1,000 shares.
Director: S. W. Farmer, 1,000 shares.

Copies of this document may be obtained from:
Samuel Montagu & Co. Limited, Phoenix House, 1/3 Newhall Street, Birmingham B3 3NH.
Fielding, Newson-Smith & Co., Garrard House, 31 Gresham Street, London EC2V 7DX.

Building and Civil Engineering

Middle East water projects

PHASE of a \$25m water supply system designed by contract involving services reser- vation and Sons for the moment of Abu Dhabi is to be let shortly. Balfour has also designed the main drainage scheme for Al Ain, Abu Dhabi and the Abu Dhabi Government has now awarded the contract worth \$25m to Contractors Algeimip, a locally based consortium. About 35 km. of vitrified clay

Housing jobs in London

FOUR London contracts, together valued at almost £900,000, have been awarded to Corral Construction (Powell Duffryn Group). Nine houses are being converted to 18 maisonettes in South Lambeth Road for the London Borough of Lambeth on a contract worth £307,804 while modernisation of eight houses is being carried out for the London Borough of Harringay on a 30-week contract worth £151,078.



These 2.6 metre diameter pipes for a £1.4m sub-contract are being fabricated from steel plate and 22.5mm thick steel plate and will form a 1.2km long pipe-tunnel which will form the ends of a 6.6km long tunnel.

Holst group hits £3½m. in six jobs

NORWEST Holst and its associated Paterson Candy Holst and F.C. Precast Concrete have won a variety of jobs worth more than £3½m. in six jobs. The £1.6m. contract to design and construct for the North West Water Authority a major extension to existing waterworks at Turton Bottoms, Bolton, Lancs. Paterson Candy will do the mechanical and electrical work and Holst the civil work. This contract should be completed by July 1978.

BRICK IS BEAUTIFUL. AND A LOT MORE, BESIDES.

The Brick Development Association, Winkfield, Windsor, Bucks SL4 2DP. Telephone Winkfield 03447 5655.

dissolves completely without a trace, leaving no chalky or messy residue. When used as directed, Ice-Foe will not damage sidewalks, roads, tyres or car finishes, nor will it discolour boots, shoes or carpeting. It penetrates through the ice making the ice bond and assuring easy removal and prevents melting ice from refreezing, eliminating the formation of hazardous water film. Vitapan, on 01720 6411.

Wimpey to extract the anthracite

EXTRACTION OF an estimated 950,000 tons of first quality anthracite is expected under a contract awarded by the Open-cast Executive of the National Coal Board to George Wimpey and Co. It is a 457-acre extension of the Maesgwyn site which the company has been working since 1946, and will require work to a maximum depth of 80 metres. Work will include removal of a considerable mass of overburden from the original workings, and after extraction of the coal at the deeper levels, a total restoration of the extended site to grazing and agricultural use.

£1.4m. rail bridge

CONSTRUCTION of a railway bridge between Selling and Canterbury East in Kent is to be undertaken by John Howard and Co. under a £1.45m. contract. A prestressed concrete bridge with a central portal frame is called for. Cased piled foundations will be constructed within sheet piled cofferdams and the complete bridge superstructure will be built alongside the railway embankment. When completed, the entire structure will be slid into position on the foundations.

Monk wins £6.9m. trunk road contract

CONSTRUCTION OF 6.26 km. 2.88 km. of slip road plus a road (A5) between Bradwell and Old Streetford to form underbridges, including a nine-span river viaduct, five over-bridges, a timber footbridge, and a diversion of the River Ouse. Earthworks in the project will involve about 657,000 cubic metres of excavation and 535,000 cubic metres of fill. The road is expected to be opened for traffic of side road alterations and towards the end of 1979.

£1½m. for Fairclough

CONTRACTS worth £1.5m. for regional architect, North West Regional Health Authority, and consulting engineers are Dennis Mathews and Partners. Nearly 90 homes on the Eastbourne Estate, Stockton-on-Tees, are to be modernised under a £460,000 contract for Stockton Borough Council by Fairclough while at RAF Catterick, a traditional single storey and part two-storey L shaped block with roads, car park and services is to be built under a £250,000 contract for the North West Regional Health Authority. Work has just started on the £200,000 scheme. The architect is Roger G. Brown, award.

Conversion work

WATES Special Works has won contracts worth over £1.5m. from three London boroughs for the modernisation and conversion of houses and flats in London. The largest, from the London Borough of Wandsworth, is worth £768,800 and is for the modernisation of 24 flats at Addington Mansions, Highbury Grove, N5, and their conversion into 41 homes in three blocks. A third job involves the equipment of multi-storey flats, in Bethnal Green, Kingsland and Upper Clapton, with externally sited lifts for the London Borough of Hackney. Cost of this is about £135,600.

Preparing the site

PRELIMINARY work in connection with the £15m. redevelopment premises in King Street, Barking, for Barclays has been started by J. J. and Co. It is understood that negotiations for the contract have not yet been completed. Work involves the removal of facades which are retained in Buttermarket, Market Place and High Street, underpinning of existing basement walls and demolition of remaining facades, leaving the bank to continue in operation. Subsequent development will link four floors of office accommodation to the bank. Architects and services consultants are Robert Mathew, Johnson-Marsden and Partners.

Impervious coatings

PROVIDE to avoid problems of corrosion caused by atmospheric and chemical attack, the Oil and Gas Company is using an epoxy resin system to coat electrical cable trays, support systems, and plant which will be continuously exposed to elements. The previous anti-rust protection consisted of a zinc-rich epoxy system containing a catalyst and hardener. The epoxy resin system applied to the support systems on site. The Kuwait Company decided it could make savings in labour and ensure a finish if the metal was treated prior to erection and M. M. Plastite Plastics to apply a 3mm thick epoxy resin system to a thickness of 1.5mm.

Two awards to Laing

THE Industrial Engineering Division of John Laing Construction has been awarded a two-year contract to carry out work worth about £2m. at Shell Chemicals (U.K.) Carrington works at Urmston, Manchester. The work is part of a big programme to increase feedstock flexibility of one of the two lower olefins plants at Carrington. At present the plant produces ethylene, propylene and other chemical intermediates by the cracking of naphtha. When alterations are completed it will also be possible to make these products by cracking gas oil.

Fast melt of snow

WITH WINTER approaching, it is time to think of combating ice and snow. A product from Vitapan, "Ice-Foe," works all the way down to 59 degrees below zero. Ice-Foe changes from white to pink to show that it is working. It is claimed to melt at least eight times more ice than rock salt in the first 30 minutes at 20 degrees F (-7 degrees C.). Uniform particles spread easily for total coverage. It should be applied sparingly, as a little goes a long way. It is available in sturdy, compact, 100-pound drums with plastic innerliners to preserve product power. Ice-Foe can be used on walks, driveways, steps, car parks—as well as leading platforms, railway switches and sewers, indeed, wherever ice accumulates. It 280 tonnes of steel.

£4m. awards to Balfour Beatty

OVER £4m. worth of contracts have just been won by Balfour Beatty Construction. The largest, valued at £1.6m. and awarded by the City of Southampton, is for road and bridge works. Other contracts are for the Anglia Water Authority for sea defence work at Cleethorpes (£1.1m.), for BICC Metals for civil works at Prescott, Merseyside (£800,000) and for the Severn Trent Water Authority for a pumping station and river works at Stockwith (£800,000).

£1.4m. rail bridge

CONSTRUCTION of a railway bridge between Selling and Canterbury East in Kent is to be undertaken by John Howard and Co. under a £1.45m. contract. A prestressed concrete bridge with a central portal frame is called for. Cased piled foundations will be constructed within sheet piled cofferdams and the complete bridge superstructure will be built alongside the railway embankment. When completed, the entire structure will be slid into position on the foundations.

Sea defence at Sandown

WORK HAS commenced on a two-year contract for the Sandown Bay sea defence scheme in the Isle of Wight worth £1m. The award was placed with Tilbury Construction by the South Wight Borough Council. Apart from extensive work on the Yaverland and Lake sea walls, work will include construction of 17 hardwood groynes and modification of seven blockwork groynes to create a sandy beach in the bay. Consulting engineers are Lewis and Duvivier.

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The way to build homes with electric heating that makes them easier to construct and economical to run.

Homes that are cheaper and easier to build. And easy and economical to run. These are the big advantages of building the Heating Plus way.

What is Heating Plus? It's Electricity's name for the cost-effective combination of electric heating plus extra, integral insulation. Cost-effective for house builders, because the total installation cost (heating system, insulation, labour) can be up to 50% less than for systems using other fuels. And cost-effective occupiers, by giving them the extra cleanliness and convenience of electric heating with the most economical of energy.

Flexible, controllable heat.

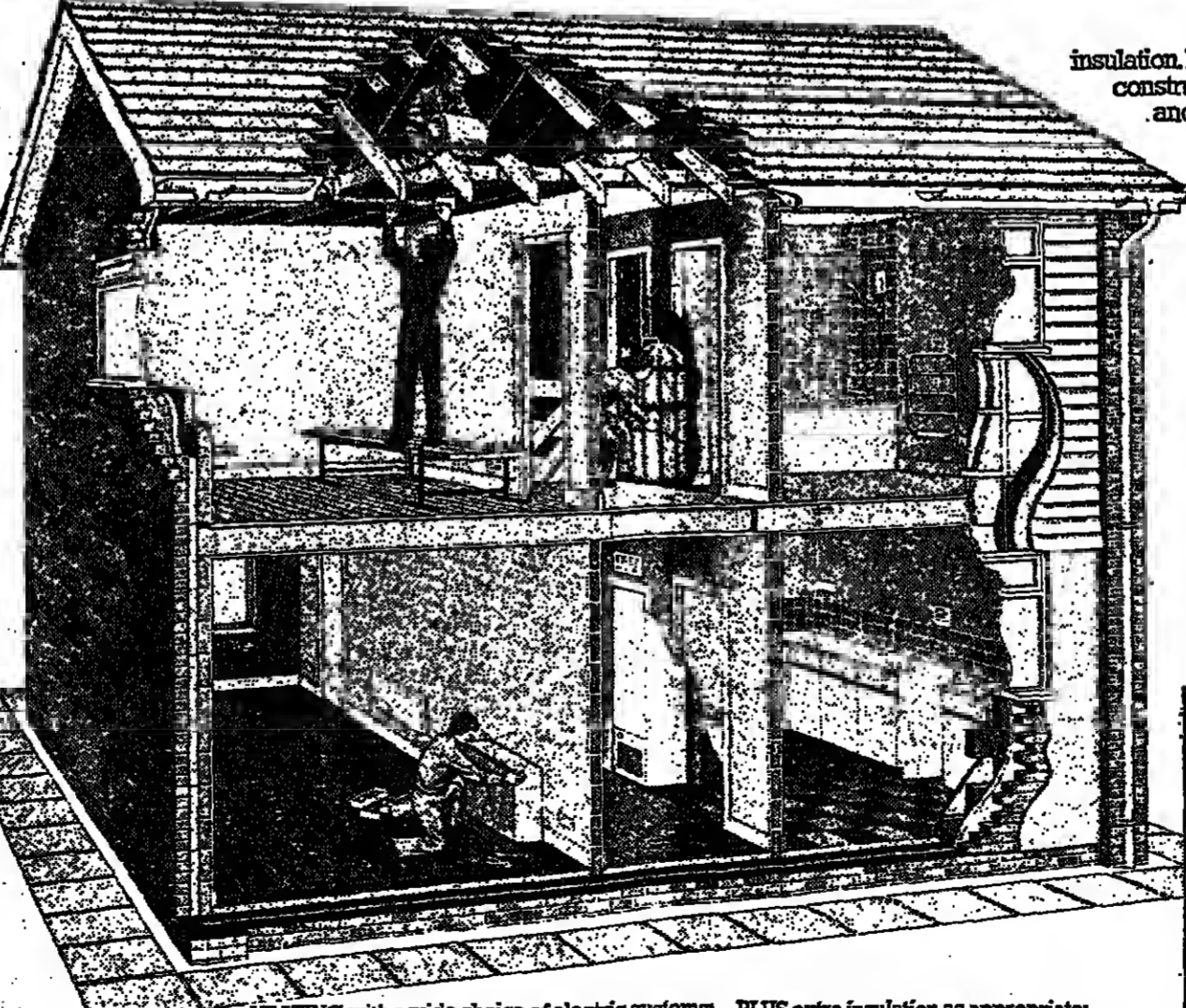
Heating Plus offers you a more flexible choice of equipment and installation options than any other fuel. Systems include radiant ceiling heating, with its quick warm-up and room-by-room controllability; Electricaire warm-air ducted heating, running on cheap off-peak rates; and electric storage radiators—the ideal 'add-on' system for wing families. No problems with flue locations or piping runs. Each system can be regulated with easily operated time thermostat controls.

Safe, convenient water heating.

Heating water by electricity is the cleanest, most convenient, most reliable method of all—and Heating Plus offers a wide range of options. These include 'point of use' units for showers and baths; instantaneous shower units; and central storage systems with two immersion heaters, to run economically on the Meter tariff.

Extra insulation.

Heating Plus begins where the building Regulations leave off. It provides for extra insulation where it heat would otherwise be lost. It includes additional roof



insulation. Insulated external walls—either cavity infill, or dry-construction quilting. Plus further options such as double glazing and door and window draught-proofing. Yet because of the moderate cost of electric heating equipment, the overall cost can compare favourably with other systems using less insulation.

Compare the costs.

Here's a typical example, for an 80m² semi-detached house: The capital cost of fuel-fired, piped central heating and indirect water heating, with insulation to Building Regulations, is around £750. For a system of electric storage radiators, panel heaters and water heating, plus extra cavity infill and roof lagging, the current capital cost is only around £550. And the estimated annual running costs, allowing for varying lifestyles and comfort requirements, are both within the range £140-£160.

Plan now for Heating Plus.

Heating Plus offers you a great new opportunity to build comfortable, attractive, economically-run homes. Your first step is to contact the heating expert at your Electricity Board. Equipment, installation, plans, costs—he can advise you on them all. Ask him for full details today.

ELECTRICITY BOARDS	
London Jim Hart 01-588 1280	South Wales Bill Carey Cardiff 79211
South Eastern Ken Hopkins Brighton 739211	Merseyside and North Wales Brian Ogden Chester 40133
Southern Ken Jeremy Littlewick Green 2166	Yorkshire David Scorrath Leeds 892123
South Western Ian Crichton Bristol 126062	North Eastern Derek Rnwan Newcastle 27520
Eastern Les Crix Ipswich 55841	North Western Rnn Pitches 061 834 8151
East Midlands Andrew Jones Nottingham 269711	South of Scotland Bill Archibald 041 637 7177
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HEATING with a wide choice of electric systems:
Ceiling heating • Electricaire warm-air heating
Storage radiators • Point-of-use water heating
Storage water heating

PLUS extra insulation as appropriate:
Cavity wall filling • Cladded wall quilting
Roof lagging • Water tank lagging • Double glazing • Door and window draught-proofing

It's good sense to build the Heating Plus way.

BUILDELECTRIC

The Electricity Council

Opposite illustrations showing the full choice of Heating Plus options. Consult your Electricity Board about the best combination for your project.

*Based on prices current as of September 1977.

Why the Portuguese are thanking their lucky stars

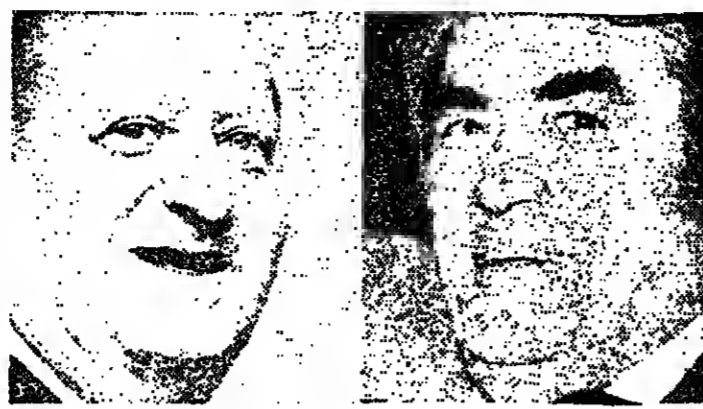
By DIANA SMITH in Portugal

PORTUGAL'S ailing economy is Lord (Lew) Grade, who decided to take a gamble and agree to five weeks' location shooting on the Boys from Brazil—the \$12m. budget super-production he is financing in this small, insolvent but friendly country, usually overlooked by the world's film industry.

By the end of this month \$2m. will have been spent on Portuguese labour about \$150,000 worth), transport (another \$300,000) and on hotels and restaurants (over \$300,000). About 3,000 Portuguese people of every size, shape and age—including impoverished refugees from former Portuguese Timor—hired as extras, at \$12.50 a day for an average crowd or \$25.00 a day for a special crowd.

Nor must one forget the hire of typewriters and duplicators, generators, purchase of food for meals on location, clothing, make-up, and hire of bulls for local colour. Not to mention secretaries, translators, policemen for security or even for special crowds, insurance with Portuguese firms, bank facilities, hire of theatres to screen the daily rushes. The spin-offs appear to be endless, and Portugal is overjoyed. Lisbon is agog at the daily presence of famous film stars. The hills are ringing merrily, autograph hunters are in seventh heaven.

Distributing all this largesse



Lord Grade (left) took the gamble while Gregory Peck provided the glamour.

has been created, from a salt-water lagoon about 25 miles south of Lisbon. About \$50,000 worth of tropical plants have been imported, and kept alive during filming by re-channelling fresh water from hundreds of metres away, over a hill and into the lagoon.

An Indian compound has been built on the banks of the lagoon on property eagerly lent by a local landowner, who has asked that the set be left standing as a souvenir. The Indians are played by Timorese refugees, whose physical appearance is close enough to that of Paraguayan natives to make them look authentic.

a day, plus going before the cameras of a major film production does for the morale of a near-penniless, homeless refugee from Timor, living in a dingy displaced persons' camp with little prospect of a permanent job or permanent home, needs no comment.

What sitting in a Lisbon restaurant at a table next to Gregory Peck or James Mason, co-stars of the Boys from Brazil, does to the morale of the capital's inhabitants, acutely aware that Portugal is often regarded as a cultural, cinematic and theatrical backwater, also needs no comment.

The normally ultra-dignified proprietor of one of Lisbon's quietest, most expensive restaurants rushed up to me the other evening, eyes sparkling, crying "Madame, madame, guess who came to lunch? James Mason!"

Even your correspondent went all of a flutter recently when she realised Gregory Peck and his family were dining at the next table. Mr. Peck is playing Josef Mengele, the Angel of Death, hunted by Simon Weisenthal (played by Lord Olivier), the Nazi hunter of Vienna.

Parts of Lisbon have been turned, briefly, into replicas of Asuncion, Paraguay, or Brazilian cities. Lisbon's architecture Brazil for some time to come.

Association of the Holders of 1977/1981 Bonds of a nominal value of \$1,000 with floating interest rates issued by UNION DE BANQUES ARABES ET FRANCAISES—U.B.A.F.—

Registered Office: 19, Boulevard des Italiens 75002 PARIS

UNION DE BANQUES ARABES ET FRANCAISES—U.B.A.F.—

Limited Company with a Capital of FF 150,000,000 Registered Office: 4, rue Ancelle—92200 NEUILLY-SUR-SEINE Trade Register: PARIS B 702 027 17 B Financial Publications: SIRET 702 027 178 000 12 A.P.E. 8.902

SECOND CALLING NOTICE OF HOLDERS OF 1977/1981 BONDS OF A NOMINAL VALUE OF \$1,000 WITH FLOATING INTEREST RATES

As the Ordinary General Meeting of the Holders of 1977/1981 Bonds of a nominal value of \$1,000 with floating interest rates, which had been called for 16th November 1977, with here after detailed Agenda, could not hold any valid deliberations for non-gathering of one-fourth of the Capital likely to be represented, the Bondholders are being called anew by the Board of Directors of the Company to a General Meeting (second Meeting) to be held on 15th December at 15.30 hrs. at the Association's Registered Office, 19, Boulevard des Italiens 75002 PARIS.

The General Meeting (second Meeting) will be considered as holding valid deliberations irrespective of the number of Bonds possessed by Holders either present in person or represented.

AGENDA

— Approval of the Appointment of the Association's Directors in compliance with Article 7 of the Articles of Association of said Association.

The Holders of such Bonds will have, in order to be allowed to participate in the Meeting, to deposit their Bonds five days ahead with following Institutions:

— CREDIT LYONNAIS either in Luxembourg or in Paris
— THE FIRST NATIONAL BANK OF CHICAGO, LONDON where POWER OF ATTORNEY Forms will be held at their disposal.

The POWER OF ATTORNEY Forms lodged on the occasion of the First General Meeting remain valid for the second one.

Association of the Holders of 1976/1981 Bonds of a nominal value of \$1,000 with floating interest rates issued by UNION DE BANQUES ARABES ET FRANCAISES—U.B.A.F.— Registered Office: 19, Boulevard des Italiens, 75002 PARIS

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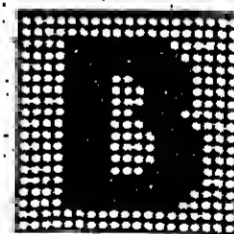
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BANQUE NATIONALE DE PARIS IN MANILA

A delegation from BANQUE NATIONALE DE PARIS led by Mr. Francois HECKER, Executive Vice-President, International Division, recently visited the Philippines for the inauguration of the BNP's branch in MANILA.

Meetings took place on this occasion with Mr. Ferdinand E. MARCOS, President of the Republic of the Philippines, and with the main authorities of this country.

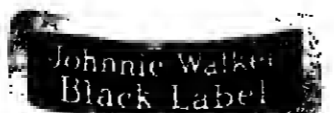
The new BNP Branch, which began business on 1st August, 1977, operates in accordance with the rules for offshore banking units.

With the opening of the Manila Branch, the BNP's network in this part of the world is reinforced in the five ASEAN countries: Philippines, Indonesia, Malaysia, Thailand and Singapore.

PUBLIC AUCTION
Persian & Oriental Rugs
IMPORTANT AUCTION AT SHORT NOTICE—A VAST PRIVATE COLLECTION OF RARE & ANTIQUE RUGS TO BE SOLD URGENTLY ON INSTRUCTIONS OF THE OWNERS
This unique collection includes rare and valuable investment rugs together with superb antique Persian items expected to sell in the lower price range.
SATURDAY 3rd DECEMBER AT 11.30 A.M.
In the Ballroom, The Hyde Park Hotel, Knightsbridge, London W.1
Viewing from 9.30 to 11.00
RIPPON BOSWELL & COMPANY
ESTABLISHED 1924
INTERNATIONAL AUCTIONEERS OF RARE ORIENTAL RUGS
The Arcade, 51-53 Kingsway, London W.C.2
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May all your Christmases be black.



EXTRA SPECIAL OLD SCOTCH WHISKY.

حکامان الاصل

The Executive's and Office World

Educators castigated

rise and fall of the British manager by Alastair Mant...

THERE IS widespread disappointment within the architectural profession...

Architects challenged

been determined by an independent committee. The committee is in consist of chairman and three or four members...

relationship to its surroundings, lifts the whole process to a creative art, the result of which must remain for many years...

Low status

Management development in most view, has become a mere thing of a priesthood. The role of the priests is to regulate traffic between the other regions and the hoped-for realms above...

Charges scale

The Commission, ignoring the evidence recommends the publication by the RIBA and other associations of architects... of scales of charges for architects' services...

Benn's new top boffin

MATSU and its companion ETSU (Energy Technology Support Unit) are two teams set up by Bond's predecessor...

Charges scale

The Commission, ignoring the evidence recommends the publication by the RIBA and other associations of architects... of scales of charges for architects' services...



resources built up virtually from scratch by his predecessor in only three years. He has been 'astounded' by the depth of the studies and by the range of possible national energy scenarios...

Learn a language fast face-to-face with a native speaker BERLITZ

INVEST IN 50,000 BETTER TOMORROWS!! 50,000 people in the United Kingdom suffer from progressively paralyzing MULTIPLE SCLEROSIS...

ENTERTAINMENT GUIDE

Entertainment guide listing theatres, opera, ballet, and cinema listings across various cities.

The Council of Europe Resettlement Fund for National Refugees and Over-Population in Europe. Fonds de Réétablissement du Conseil de l'Europe pour les Réfugiés Nationaux et les Excédents de Population en Europe. Strasbourg/Paris.

Banker Handels- und Frankfurter Bank. Various bank services and branches listed.

ART GALLERIES. Listings for various art galleries and exhibitions.

Britain's energy gap after AD 2000

BY RAY DAFTER AND DAVID FISHLOCK

Acting against bribery

THE TASK that faced Lord Shawcross and his team of businessmen and politicians who were asked by the International Chamber of Commerce to make a study of bribery practices in business can by no stretch of the imagination be described as easy.

Self-defeating

At the most primitive level, the wave of disclosures of unethical business transactions which has taken place in recent years—particularly in the U.S. where it has been a by-product of the post-Watergate change in public mood—can hardly be said to have been good for the image of the international business community.

Impudent

On many points, and particularly on the appropriateness of the ICC appointing its own watch-dog, the Shawcross report has come under heavy criticism from certain Continental business quarters. It has already been watered down in some respects to meet these anxieties.

Mr. Smith makes a concession

MR. IAN SMITH is nothing if not a survivor, and he has made an extremely astute move in publicly accepting the principle of universal adult suffrage as the basis for an internal settlement in Rhodesia.

Serious burden

It is only a matter of weeks ago that Mr. Smith was still insisting that he could not accept the idea of universal suffrage, on the grounds that this would make it impossible to maintain "decent standards."

Compatible

It is far too early to hazard a guess as to whether such an internal settlement is really on the cards, or whether this is just another of Mr. Smith's diversionary tactics.

THE ENERGY Commission, set up by Mr. Anthony Wedgwood Benn, Secretary of State for Energy, to advise him in formulating a national energy policy and strategy, meets for the first time in London today.

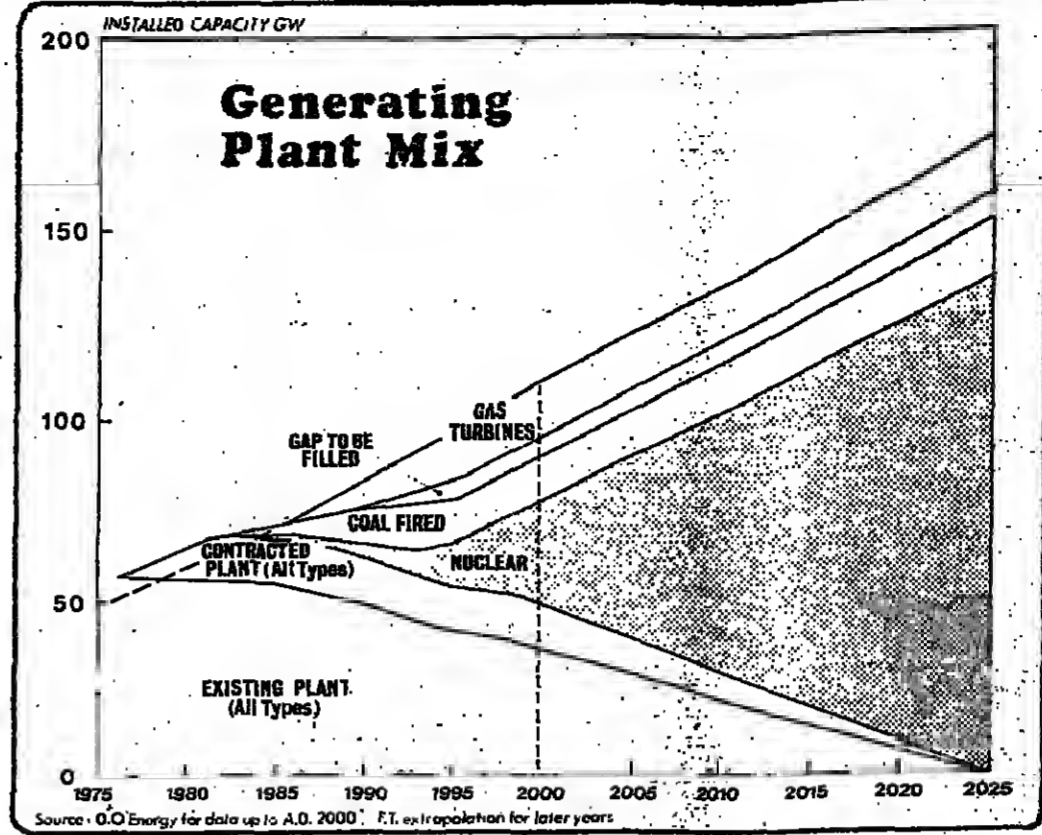
Sensibly, it includes no-one with a mission simply to oppose the face of UK energy policy. Before the first day is through, the commission itself may have cause to applaud this decision.

Sense of urgency

There is a danger that energy self-sufficiency gained within the next two years, will mask the urgency of this need. It is surprising that the Cabinet is only now working out ways to spend North Sea oil revenues.

For the warning signs are there, published in the Working Document on Energy Policy, which was prepared for the commission by the Government. North Sea oil production should be running at 100m to 150m tonnes annually in the 1980s, more than enough to satisfy Britain's needs.

Of course, it is quite possible that the U.K. oil industry will find even more than the 3bn. to 4.5bn. tonnes of reserves currently envisaged. But those figures already make allowance



of coal equivalent in AD 2000. The stark fact that emerges from the Energy Department's forecasts is that, given continuity of the assumed 3 per cent annual growth rate, Britain's nuclear capacity must expand very rapidly from AD 2000 onwards.

Conservation needs

Conservation, the forecasters conclude firmly, is not an alternative to a nuclear-dominated electricity supply early in the next century. When they look back at the past two decades of changing energy demand, they find a considerable element of conservation disguised as technological progress in energy systems.

MEN AND MATTERS

Wheeling down from Leeds

If you imagine that skateboarding is the last word on wheels, William Barfield of Leeds thinks you are in for a big surprise quite soon.

Historic citadel

The fourteenth-century citadel of Harar, around which this week the crucial battle between Ethiopian and Somali forces is being fought, was in Halle Selassie's time a key spot on the itinerary for cultural tours from Britain.

Speed-wheeling! Call it dry ice-skating, if you prefer. Four small wheels, with nylon tyres, are arranged in a straight line one behind the other on each skate, to place of a blade. All you need is a dry, smooth surface and you are away.

Mark time

On New Year's Eve the Second World War will suddenly become more remote for our troops stationed in Berlin: muzzler will they be given "Bats" to spend. This news may well bring a nostalgic tear to the eyes of those readers who can recall halcyon days in the NAAFI, nonchalantly fusing British Armed Forces Special Vouchers across the counter for a pork pie and a cup of tea.

Ringing no bells

Insult was definitely added to injury for Whinney Murray last week. The Chiswell Street headquarters of the firm—one of the City's leading accounting practices—was the scene of a fire which began in the evening, while the partners were relaxing upstairs.

Not just gossip

Sign on the door of a Hampshire village store: "CLOSED unless someone wants something." From the start of 1978, the 4,000 members of the British services in Berlin will be paid in Deutsche Marks. They will also be encouraged to open German bank accounts into which their pay cheques will be directly deposited from Britain.



The Energy Secretary, Jack Hampton, with Deputy Secretary, Philip Jones.



"They gave me back my home, my friends, my whole way of life" When one has known a certain way of life, and rising costs look like taking it all away, who is there for people like us to turn to? There is the Distressed Gentlefolk's Aid Association. The DGAA is run by people who understand. They know that we want to stay in our own homes, surrounded by our possessions, and close to the friends of a lifetime. So, they help us with allowances and with clothing parcels. Only when we can no longer cope do the DGAA see if they can offer us a place in one of their Residential and Nursing Homes. The more you can help the DGAA, the more the DGAA can do to help others. Donations are needed urgently. And please, do remember the DGAA when making out your Will. They'll be there to help you.

DISTRESSED GENTLEFOLK'S AID ASSOCIATION

كازمان الاصل

FINANCIAL TIMES SURVEY

Monday November 28 1977

مكنا من الأهل

Scotland

Scotland has learned to rely on more than the oil fields of the North Sea for its future wealth and prosperity, and the industrial emphasis is gradually moving away from heavy engineering towards advanced products like electronic equipment. Although optimism is not yet particularly marked, the economic picture is improving.

More than the North Sea

Ray Ferman

Correspondent

There is one thing that the performance of Scotland illustrates clearly: it is that there is a large and perhaps widening gap between the way nations see themselves and the way others view them.

Confidence has risen throughout the year as the picture of falling production and rising unemployment has been both a cause and effect of this depression. Bank rates have risen sharply, the number of new companies being created has fallen, investment in industry is low, and it is reflected in bank rates which are rising again after a period of stability at the beginning of 1977, and nowhere near the rate

of a year ago. There have been enough false dawns in the past two years to instil an almost universal sense of caution. This is the view from up close: an outlook obscured by gloom that stretches only as far as the next pay round, the next likely adjustment in interest rates, the next mini-budget or change in the value of sterling.

Dramatic

But there is a longer perspective, which, it seems, is easier to gain from outside Scotland. Much of the investment that has been made during 1977, much of the confidence that has been expressed (and many of the opportunities that have been grasped) have come from foreign based companies or from those based elsewhere in the U.K. As last year, the most dramatic illustration has been provided by the banks. But whereas 1976 saw a tremendous influx of American institutions, this year it has been the turn of London, National Westminster, whose Edinburgh and Glasgow branches were opened in 1975, this month expanded into Aberdeen. Barclays upgraded its Edinburgh representative office to full branch status, the Midland opened its first Scottish branch two weeks ago and Lloyds will follow suit in January. Competition has been the

catalyst—where one led the rest could not afford not to follow. But all are looking to the long rather than the short-term and are confidently expecting to do very much better than covering the cost of their Scottish operations.

Newly announced investment in industry seems to have been American led, with electronics, an almost entirely U.S. owned industry in Scotland, figuring strongly. The longer sighted have seen a country where industrial performance has outstripped the U.K. average since 1973, where generous Government assistance is available to offset the cost of new plant, where the labour supply is plentiful and where infrastructure in the shape of virtually new airports for the three largest cities and a programme of new road building to make access to the north easier, is constantly being modernised.

The effect of this dualism would appear to be to push Scotland further towards the branch factory economy with all that that implies (dependence on decisions made elsewhere, a lack of senior managerial jobs and so on). Recent work on the company information bank maintained by the Scottish Council for Development and Industry confirms this view. In 1973, the proportion of Scottish workers employed in

the manufacturing industry owned by North American parent companies was 14.9 per cent, it is now 16.1 per cent. This rise has been offset by a decline in employment in factories owned by other non-Scottish parents, but the total non-Scottish ownership has remained steady at 59 per cent.

Given that total employment has declined during this period, it follows that the number of firms now owned from outside has increased. Let us turn back now to the short term and the prospects for Scottish industry over the coming months. It is difficult to get an accurate impression of the trend in output, since industrial production figures are published six months in arrears by the Scottish Economic Planning Department and then only quarterly (compared to monthly, one month in arrears by the Department of Industry).

At the time of writing the most recently available figures were for the first quarter of 1977 and showed a substantial drop in the index from 113.8 in the final quarter of 1976 to 106.3 (1970=100). This seems too large a fall for purely seasonal factors. Scottish CBI surveys suggest that, if production has not actually dropped further on housing finance, the relax-

ation through the year, it has remained fairly sluggish. However, the most recent survey, published at the beginning of this month, suggested that there could be an upturn during the next four months.

Accuracy

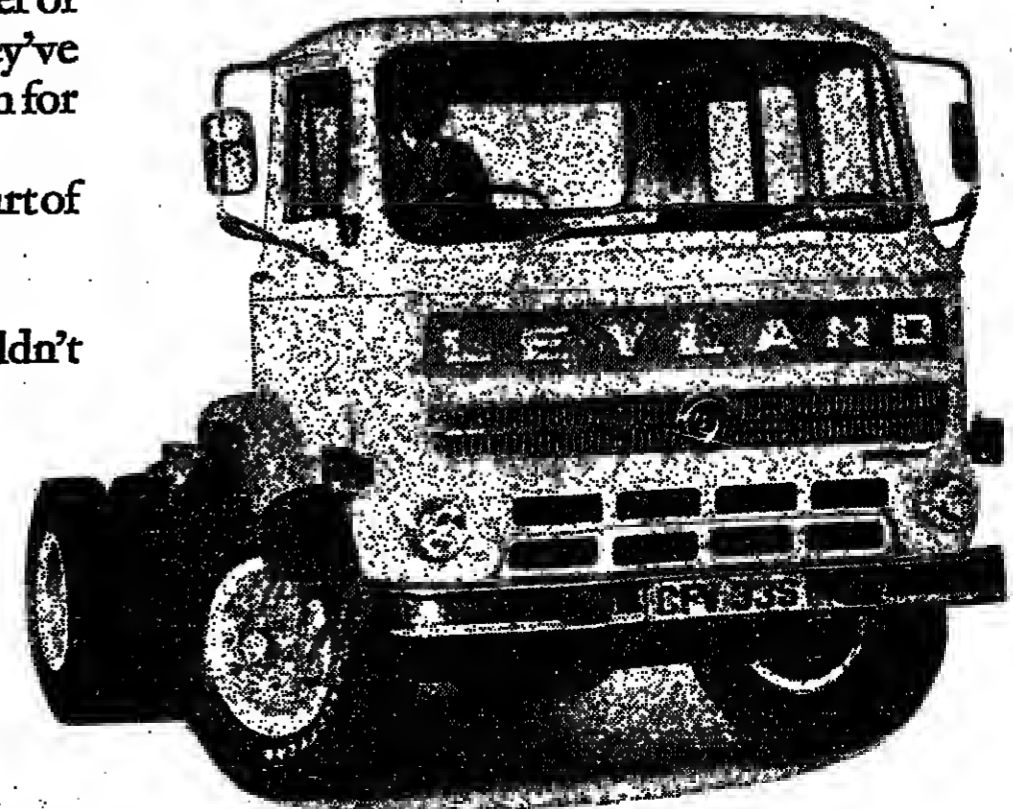
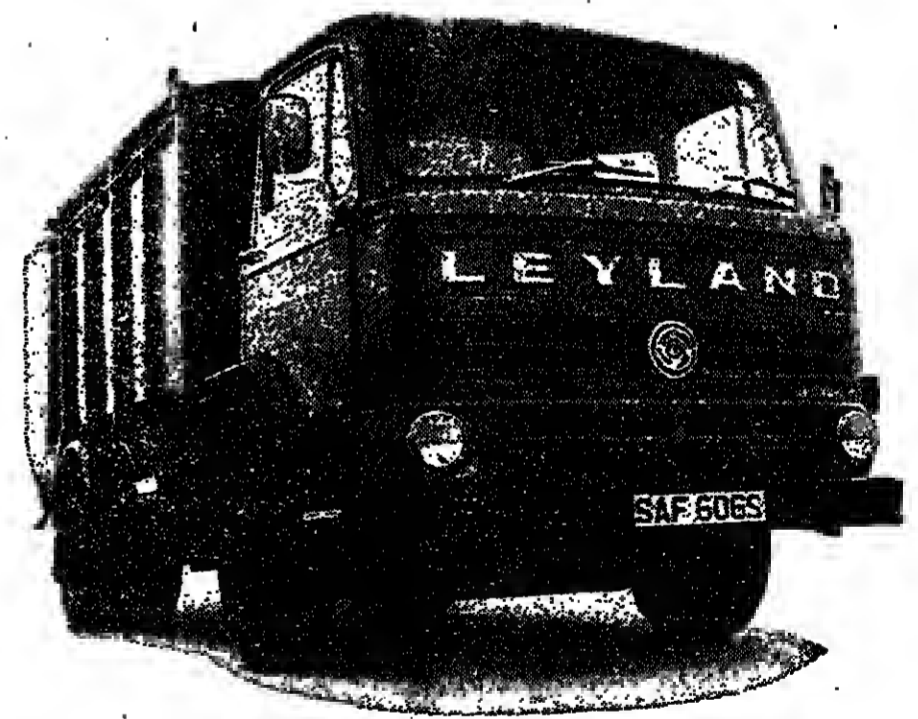
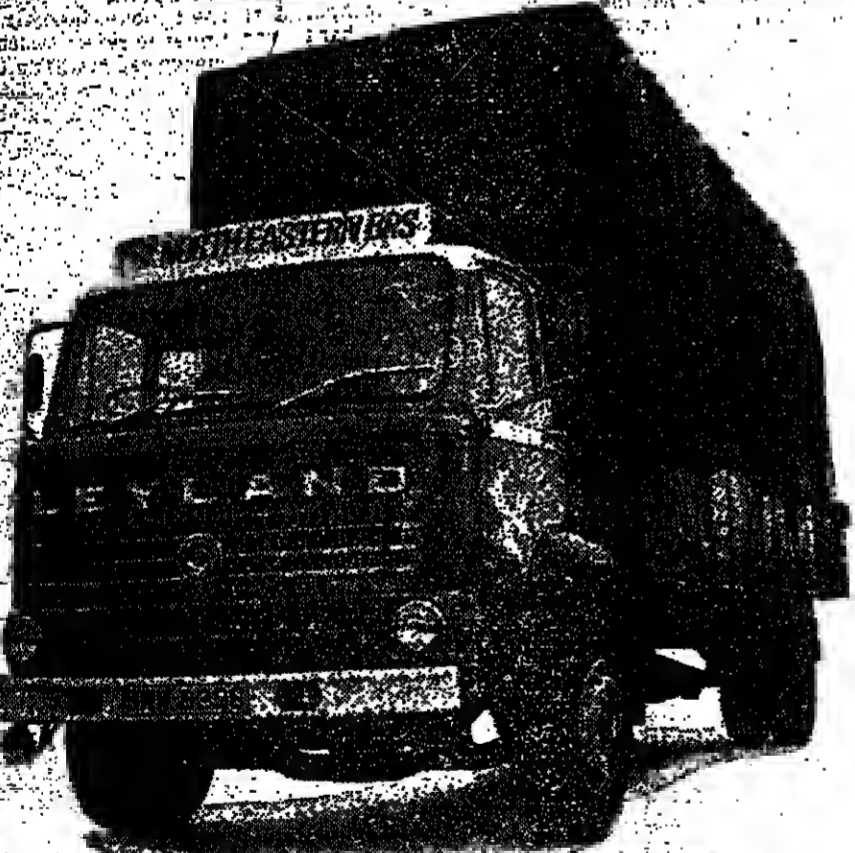
The accuracy of predictions by respondents to past CBI surveys should lead us to look on this result with caution, but there are other factors which support the view that output will rise. Ordering from the oil industry is picking up again, with three platforms ordered this year and more likely to come in 1978. The exaggerated cycle of massive ordering followed by a long period of order starvation is unlikely to be repeated, at least on the same scale, but the trend in design of structures looks likely to favour one side of the industry—the East Coast steel fabricators—against the other—the West Coast concrete builders, who are now practically out of work. Shipbuilding on the Clyde should receive a fillip from the Anglo-Polish order signed last week. The prospects for engineering and electrical engineering look reasonable and construction should start to benefit from the easier position on housing finance, the relax-



Ferranti equipment for the offshore engineering industry which was recently exhibited in Aberdeen

CONTINUED ON NEXT PAGE

GREAT SCOTS.



Leyland Truck & Bus make probably the most comprehensive range of commercial vehicles in the world.

And three quarters of our trucks are made right here, in Scotland. So is our entire range of agricultural tractors.

It's a very impressive list. The Leyland EA van, the FG, the Terrier, the Boxer, the Mastiff and Super Mastiff, the Reiver and Chieftain.

As well as the Leyland Clydesdale, Britain's biggest-selling 16 tonner.

They have played a large part in making us Britain's biggest single producer of goods and public service vehicles. And they've helped to earn us a world-wide reputation for quality and reliability.

Our Scottish plants are a vital part of our operation. They're big profit earners. For us and for Scotland.

Without them, Leyland wouldn't have nearly such an important place in the world.

Leyland Truck & Bus.
Britain's Biggest.

SCOTLAND II

Star billing for oil

THE ATTEMPT by offshore operators to find substantial reserves to the west of the Shetland Islands may have proved disappointing so far, but this has failed to dampen the enthusiasm that still surrounds North Sea exploration.

In spite of the many, well-publicised problems, the North Sea is already meeting half of Britain's oil requirements, when viewed on an annual basis. The industry and Government are on course to make the country self-sufficient in energy by 1980 or, quite possibly, by the second half of 1979. This self-sufficiency should last well into the 1990s and conceivably into the 21st century if large new reservoirs are discovered and exploited.

On the production side, the Occidental group has just brought on stream its Claymore Field to join the first seven commercial oil fields in production. British National Oil Corporation's Thistle Field should be in production within the next month or two. All told there are 18 fields in the U.K. sector of the North Sea which are either on stream or under development. They include the big Statfjord discovery which straddles the U.K./Norwegian median line. Texaco's Tartan Field and Mesa Petroleum's inshore Beatrice Field. These three are noteworthy as much for their special problems as for their contribution to Britain's oil flow and balance of payments.

Enormous

Statfjord, for instance, has been described as the biggest marginal field in the North Sea. Its recoverable reserves are estimated to be between 2,700-3,300 barrels of oil and between 2.2-3.8 trillion cubic feet of gas (around 11 per cent. of the reserves lie in the U.K. sector). But the cost of extracting the hydrocarbons is also enormous. Earlier this month, Statoil, Norway's State oil Corporation, announced a further increase in the cost, to around £4.2bn, a rise of almost one-third on the previous year. What is more, Statoil feels that eventually the bill could well be much higher.

The field is expected to start producing oil in 1979. Statfjord will not only give the U.K. oil figures a boost but it could also

DIRECT EMPLOYMENT IN NORTH SEA OIL ACTIVITIES

Highland	7,400
Shetland, Orkney and Western Isles	700
Grampian	11,500
Tayside	1,500
Fife, Central and Lothian	2,700
Strathclyde	3,100
TOTAL	27,000

Source: Dept. of Energy and Dept. of Employment.

help to underwrite the construction of one of the most ambitious gas-gathering systems in the world. Within the Department of Energy there is a good deal of support for a gas collection network not only based on the existing Frigg line and the Brent pipeline now under construction but also on a new trunk line to run close to the U.K.-Norway boundary. Such an ambitious scheme could cost a total of £5bn. Its prospects would be enhanced if the Norwegian authorities agreed that gas from Statfjord and other fields on their side would be included.

Texaco's plans for developing their Tartan Field highlights the way that the Government is becoming increasingly involved in all aspects of North Sea oil and gas production. State participation agreements now signed with 19 companies provide a basic framework for industry/Government consultation and co-operation. ENOC's growing influence in offshore activities has another bearing on the way companies operate. But there are other, perhaps more subtle, ways in which the industry can be directed. One concerns equipment supplies.

The U.K. offshore industry has agreed to give British manufacturers and suppliers a "full and fair" opportunity to compete for contracts. This is particularly important in Scotland where between 55,000 and 65,000 people are employed directly and indirectly in work related to offshore development. Such a policy has undoubtedly helped U.K. suppliers to gain the majority share of North Sea contracts.

Texaco, however, wanted to order its Tartan production platform from a French company, Union Industrielle d'Entrepris. Apparently UIE entered a bid of £22m for the basic platform structure, some £5m less than the nearest rival, Redpath Dorman Long of Methil, Fife.

In the end Texaco agreed to split the contract between UIE and RDL. There were no published complaints; Texaco kept on the right side of the Government: UIE kept an important foothold in the North Sea; and RDL was able to recruit 550 Scottish workers, many of whom had been laid off earlier this year. Furthermore, UIE and RDL forged important links which could be useful to the Scottish yard once orders start arising in the French offshore sector.

Mesa Petroleum's Beatrice Field close inshore in the Moray Firth is significant because it brings into sharp focus some of the

environmental and commercial aspects of field development. The oil partnership wanted to exploit the field by means of several small platforms and an offshore loading system. It saw its oil production being ferried ashore in tankers. The inshore fishermen, largely supported by environmentalists, local councillors and—lately—the Government had different ideas. After a series of reports, some of them conflicting, the Mesa group is being urged to build a pipeline from the field to a landfill. This will present some technical problems, in view of the treacherous nature of the Beatrice oil, but it should overcome most of the stated environmental complaints.

The Beatrice Field contains an estimated 160m. barrels of recoverable reserves, oil which might well be processed in the proposed Cronarty Petroleum refinery. Mesa has recently tested a flow of 5,200 barrels a day in a well drilled on the Beatrice structure by the Petro 65 exploration well.

The group is now evaluating the data to see if the commercial prospects of Beatrice have been enhanced. The initial feeling, however, was that the test confirmed rather than improved the reserve estimates. In the meantime Petro 65 is drilling an exploration well near the south-west corner of block 11/30 which contains the field.

This year there has been no drilling in the rate of offshore drilling. It has been quite common to find 26 or 27 rigs in operation at any one time, well up on previous records.

Much of the work has been appraisal drilling—of course. However, there have been several interesting finds

Terminal

The area is particularly attractive because it is so close to the big Stornoway oil terminal on Stromness Ness. As the terminal will eventually be a large-scale oil terminal, it will be a long way from the West Shetland Basin, a major oil-bearing area. A British Petroleum spokesman seemed to unambiguously state that the company had no intention of developing the area. However, there is perhaps more than one factor concerning the Government's attitude to offshore oil flow and its impact on the economy. The North Sea oil production schedule is quickly building up to that all-important sufficiency level. And yet a new wave of senior Government Ministers sitting down to put how this oil wealth should be handled. Chancellor, Denis Healey and Mr. Anthony Wedgwood Benn, Energy Secretary, have just produced a series of options but the Government is still some way from plotting an economic course. If the Energy Department foreca suggest self-sufficiency in oil will last for only 15 years, the limited time in which to formulate and implement a particular piece of economic strategy.

Ray Daft
Energy Correspondent

North Sea

CONTINUED FROM PREVIOUS PAGE

Population forecasts indicate that the supply of labour will continue to expand between now and 1990. While the supply is rising, we cannot be optimistic about the level of unemployment coming down.

First, regional policy, and then the effects of the oil industry, have fundamentally altered Scotland's economic position with the rest of the U.K. An unemployment rate of more than 10 per cent. during the 1950s and early 1960s, now it is less than a third above.

Mr. Bell has been among the most pessimistic observers of the Scottish labour market over the past year, but, sadly, his pessimism has been amply vindicated. He points out that while demand for labour is depressed, the supply is rising as children born during the boom birth rate period of the late 1950s and early 1960s leave school and begin to look for jobs.

The first three-quarters of 1977 saw a number of major closures and collapses. Scottish Cables, part of BICC, is to close with the loss of 435 jobs and JBE Offshore at Clydebank has been put on a care and maintenance basis. But the ordering of the Drax B power station saved Babcock and Wilcox and buyers are expected to be found for two firms now in liquidation—Glenfield and Kennedy at Kilmarnock and Scottish Timber Products at Stirling.

However, if output rises during the coming year, it is unlikely that there will be a corresponding fall in unemployment. There is evidence to suggest that industry has considerable labour capacity in hand. Unemployment (176,900 in October, or 8.1 per cent. on the seasonally adjusted figure) would actually rise during the first part of 1978.

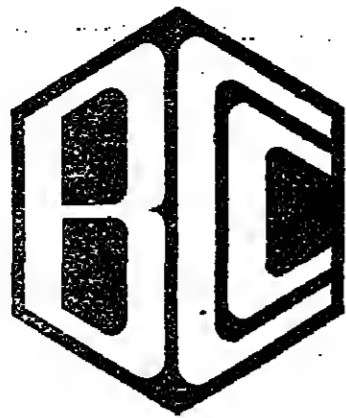
Indications

The recession has seen considerable shedding of labour in many parts of Scottish industry and the indications are that more is to come. NCR at Dundee has steadily cut its workforce over the years from 6,000 to 1,400 and has announced a further 400 redundancies to take effect in March. Slinger's largest sewing machine manufacturing plant in Clydebank has also said that it intends to reduce its labour force by more than 1,000 during 1978. Natural wastage and early retirement will be used wherever possible, but the company has said that some redundancies will be inevitable.

Considerable redundancies are also expected in the steel industry when the British Steel Corporation reveals its proposals to cut loss-making operations. Many of the closures already announced for Scotland are likely to be brought forward.

Overall loss of jobs in manufacturing during 1977 has been estimated at around 5,000, while service industries have lost a further 10,000, two-thirds in local Government. This downward trend should slow, but it will be a while before unemployment totals stabilise.

David Bell, Editor of the Fraser of Allander Institute's quarterly Economic Commentary, estimates that although output from Scottish industry could grow by as much as 3 per cent. next year unemployment could go on rising in the



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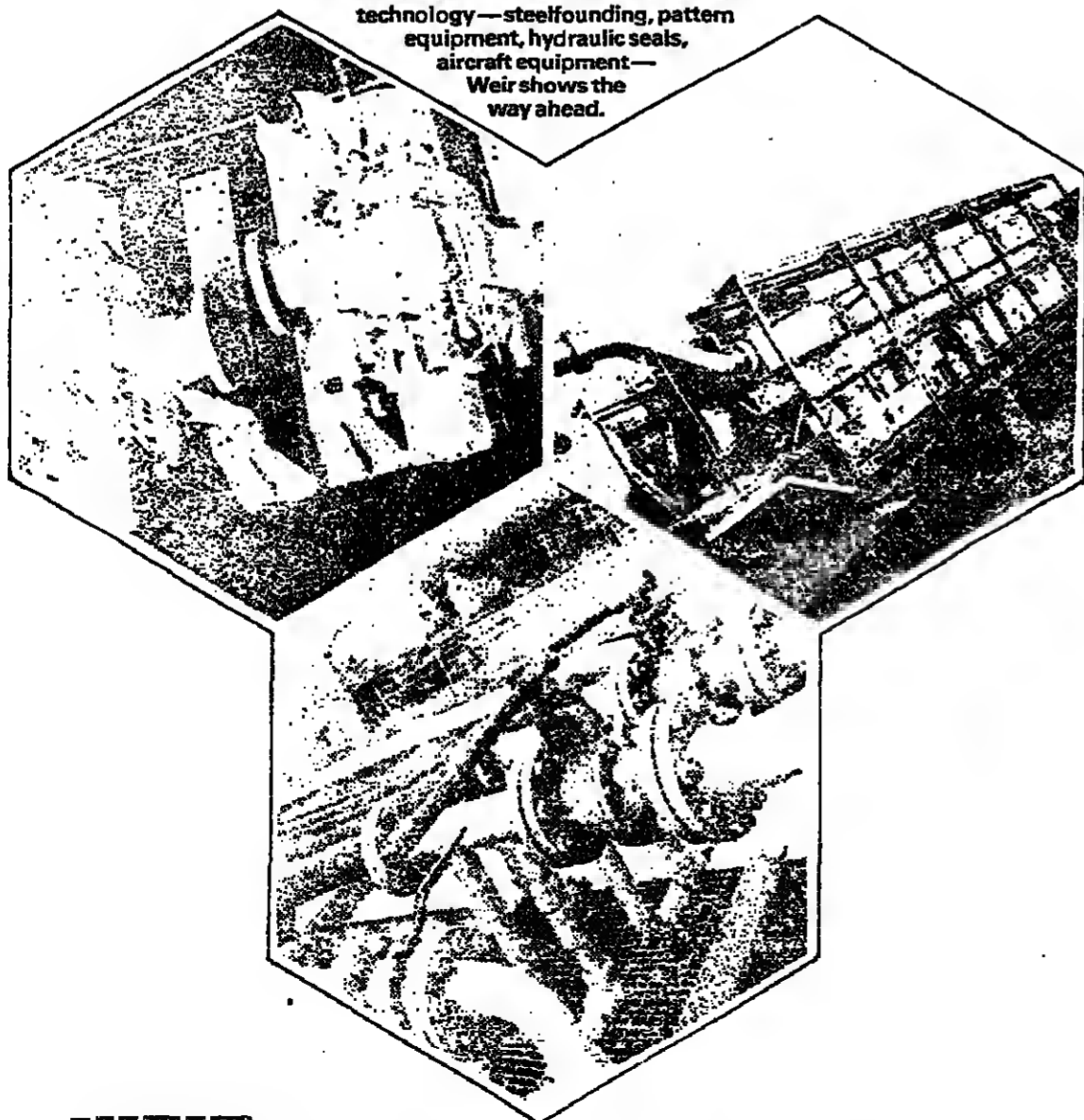
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A revival on the platforms

THE PAST few months there have been encouraging signs in the Scottish production and fabrication industry. It is a long-awaited, if still unrevived, revival.

At the Highland 'seas' yard at Nigg Bay, work has been kept in check by order from the Nippon partners in the Nippon At Methil, Redpath Dorr Long has been recruiting assembly workers following its decision to split the field platform order between the Nigg yard and Union

Ardesier is already working on two export orders—one for Petrobras in Brazil and another for Placid in Holland—in addition to its important new contract for the North Sea Murchison Field. There are hopes for further U.K. orders from South America.

In the meantime eyes have been turned to Russia with the arrival last week of a delegation seeking expertise and equipment for a \$150m. (£82m.) oil production platform fabrication yard close to Baker in the

work which could be placed to the U.K. could be worth as much as \$75m. (£41m.) for items of equipment.

Looking at ordering prospects nearer to home there is a clutch of new North Sea platform contracts which are likely to be placed within the next year or two. Two or three will probably be needed by the Mesa group for the development of its inshore Beatrice Field although the structures will be small by

tern. Andrew, North Cormorant, Crawford and Thelma Fields in 1978 or 1979 although recent information on some of these discoveries raises doubts about such an encouraging forecast.

The main conclusion of the University's paper is that it is likely there will be another sharp upsurge of orders in the period 1977-1980, similar to the peak period of 1973-75, but that thereafter the annual requirements for platforms will be much smaller—at most three a year. All told, the report foresees 23 orders being placed in the 1977-80 period.

explained elsewhere in the Tartan order gained following a good wrangle and Government involvement. That said, the order must be regarded as a breakthrough for the RDL yard, a subsidiary of the Steel Corporation, was to lay off 800 men in when its workload ran out. Months the facilities were in a state of readiness by the maintenance team.

and reflection on the state of platform market that the has been happening at a pace of other construction in Scotland and on Tees-

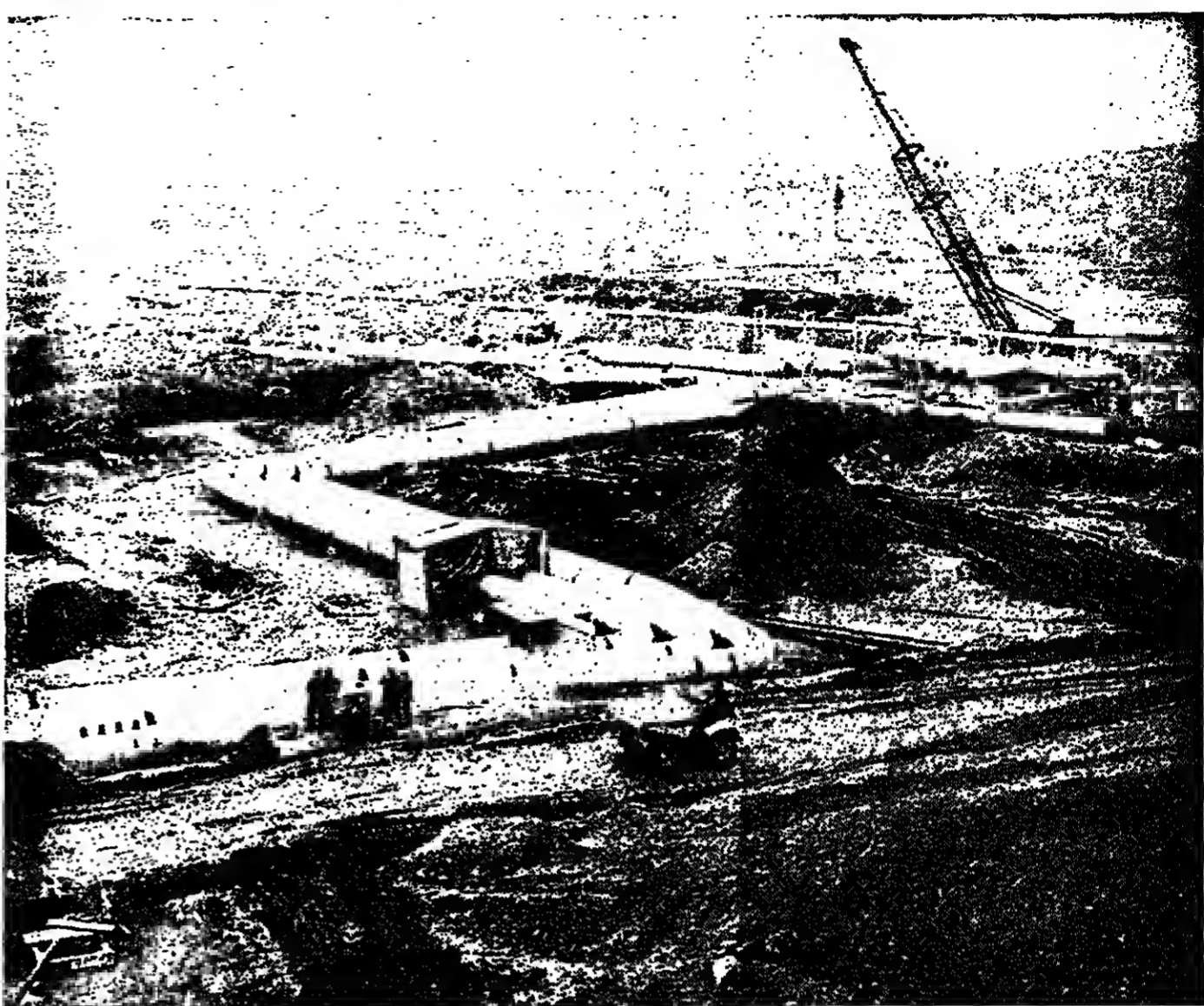
PLATFORM ORDERS TO DATE*

Field	Builder
Argyll	Converted exploration rig
Ask	RDL
Beryl	Norwegian Contractors (Norway)
Brent (4)	McAlpine; Norwegian Contractors (2); RDL
Claymore	UIE (France)
Cormorant	McAlpine
Dumfries	ANDOC (Netherlands)
Forties (4)	Highland Fabricators (2); Laing Offshore (2)
Frigg (7)	Howard Doris (Sweden); McAlpine; Norwegian Contractors (4); UIE
Heather	McDermott
Montrose	UIE
Murchison	McDermott
Ninian (3)	Highland Fabricators (2); Howard Doris (U.K.)
Piper	McDermott/UIE
Tartan	RDL/UIE
Thistle	Laing Offshore

* Excluding southern sector of the North Sea and the Stafford Field which is predominantly in Norwegian waters. Source: Aberdeen University, Political Economy Department.

Forecast

If the forecast is right—and it does appear to be an optimistic one—then much of the spare capacity will be absorbed. The eight U.K. yards have the capacity to handle 11 large structures at any one time. At the moment they are building five and a half platforms (if the RDL Tartan contract can be counted as half). Three of these units are being constructed by one company, McDermott, which has nominal capacity to handle one large structure at any one time. Four of the fabrication sites—Hunterston, Graythorpe, Ardyne Point and Portavadie—are without any work at all while another, Howard Doris's Loch Kisbarn site, is now completing its remaining Niolan central platform contract.



Construction of the Sullom Voe terminal on Calback Ness in Shetland

Contract

David Waterstone, BSC in charge of the Corporation's North Sea developments, signed the contract, worth in excess of £10m, as a "great new venture" for the company. Indeed it is, for its scale ranges wider than Tartan work—for RDL this involves the construction of four legs, the deck support structure and the 28 buoyancy tanks.

The joint venture with UIE offers up opportunities for more orders, both in the North Sea and in French waters. This could be a pact for both the U.K. French offshore industries about to step in their own efforts in the North Sea. Approaches now that the U.K./French boundary has been all but settled.

Platform builders must look wider than the U.K. Continental Shelf if they are to meet their order books, and the signs there are encouraging. McDermott's yard at

Caspian Sea. The Russian team, led by Mr. Viktor Mischevitch, the first deputy oil Minister visited the Forties Field installations and two Scottish platform yards: McDermott's at Ardesier and Highland Fabricators at Nigg Bay.

Either yard could be involved, indirectly, in the construction of the Russian facilities. For it appears that there are two main contenders for the contract to supply technical know-how. One is the International Offshore Consortium, comprising British Petroleum, Wimpey and the U.K. offshoot of Brown and Root. Wimpey and Brown and Root are behind the Highland Fabricators operations at Nigg Bay. The other main contender is thought to be an American/Japanese group comprising McDermott and Mitsubishi. This explains why their order books, and the Russians, visiting the Ardesier yard, visited McDermott's yard at

North Sea standards; the water depth above the Beatrice Field is only 150 feet. BP's Buchan Field will also certainly be exploited although here there will be no permanent platform (at least at the outset). The oil will be extracted by a semi-submersible rig in a similar manner as on the Argyll Field.

The more traditional types of production platforms are likely to be ordered by Shell and Esso for Fulmar; by Phillips for Maureen; by Amoco and Conoco for Hutton, and by British Petroleum for the northerly Magnus Field. There are a number of other probable developments, as pointed out by a report published in September by the Political Economy Department of Aberdeen University. (Revised Estimates of the Demand for Production Platforms, 1977-82. G. A. Mackay, £2.50.) This report states that orders could be placed for the Alwyn, Brae,

designs when the offshore development business picks up. After all they were sanctioned in the first place because the two Government-backed sites, Government was concerned about concrete platforms for the of which were designed to build North Sea being ordered in Holland and Norway.

However, the Government has been forced to review its attitude following a report by the Public Accounts Committee. This stated that the annual Sea Platform maintenance costs of £400,000 for the two sites were a drain on public funds. It urged that

an early decision should be developed with £6m. to £7m. of Government guarantees. There is some doubt about whether the lease will be renewed next year.

Some reduction in the U.K. platform building capacity may not be a bad thing, if it helps to secure a more stable level of workload in the remaining yards. Through little fault of their own the young construction companies have been forced to lay off thousands of men; many of them highly skilled, attracted into what was seen as a new, growth industry.

Control

The Government has more control over the destiny of Portavadie than Hunterston, which was built with Government money at a cost of £14m. The lease is vacant following the departure this year of British-Dutch ANDOC consortium still holds the lease on Hunterston which was seen as a new, growth industry.

Over the next year or so the companies should have an opportunity to attract back many of the redundant workers, as in the case of RDL. It is to be hoped—as the companies themselves indicate—that the industry will use this opportunity to consolidate its position, expand into the export markets, develop new oil production facilities and, perhaps, diversify to provide a more permanent prospect for its employees.

Ray Daffer



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Cambuslang (27,000/16,000/2 at 11,000); Hillington (various 1,500 to 67,000); North Cardonald (116,000); Queenslie (various 10,000 to 50,000);

Rutherglen (90,000); Shieldhall (25,000); Springburn Cowairs (various 2,500 to 18,000); Thornliebank (136,000/45,000); Inchinnan (various 20,000 to 53,000); Lanark (2,500); Larkhall (128,000); Newhouse (24,000/53,000); Paisley (17,000); Vale of Leven (25,000/15,000).

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The road to devolution?

AFTER THE House of Commons votes of two weeks ago, it is tempting to think that Scotland's political future is settled. The Government's majorities on the second reading of its new devolution Bill, and on the timetable motion essential to prevent it from being talked out of Parliament, were so unexpectedly large that they seemed to wipe out the ignominious defeat of February, when devolution Mark I met its premature end.

But to fall into that temptation would be to ignore the strength of the opposition to devolution, the changes that could still be made in the present proposals and the possibility that accidents could still happen.

Let's take that last point first. For a Scottish Assembly to be set up in Edinburgh the Scotland Bill has to complete all its Parliamentary stages within the present session and has to be endorsed by the Scottish electorate at a referendum next autumn.

Rash

Mr. Callaghan's administration may be committed to seeing devolution through to the end and at the moment may seem secure enough to do so. But it would be a rash observer who made a prediction of the certainty of that happening. If the Labour Government was forced into a General Election through industrial confrontation or some other crisis before the Bill has received the Royal Assent, then devolution would be put off for at least a year.

The return of a Conservative government with a working majority would delay the assembly even longer—perhaps for ever. Tory policy calls for an all-party constitutional conference to precede the introduction of agreed proposals. Aside from the difficulty of reaching any such agreement, there is the question of whether the Conservative Party has any real commitment to devolution, or is merely paying lip service to it.

Another possibility is that the referendum could go against the Government's confident expectations and reject the Assembly. Such a verdict would kill devolution for the foreseeable future and severely damage the Government's credibility.

At the moment it looks to

be a remote prospect. Opinion polls have consistently shown majority support for some scheme of devolution, although the last survey to ask a question along those lines was more than a year ago. But to assume that nothing can change over the next ten months would again be rash.

The referendum campaign itself will be hard fought, possibly on the scale of a general election with the major parties putting all the resources they can muster into the fight. The wide gulf between Labour and the Scottish National Party—both of whom will be campaigning for a "Yes" to devolution—is likely to rule out a formal coalition although individual pro-devolutionists may speak on the same platforms.

On the "No" side, the Conservatives will be joined by the Scottish Labour Party, nominally a group with trade unionists as well as leading industrialists on its executive committee, but which is in fact mainly supported and heavily financed by the management side of industry.

The issues will be a greater say in the government of Scotland and control over the already devolved civil service departments of St. Andrews House against another layer of unnecessary bureaucracy and expense and the slippery slope to separatism and the break-up of the U.K.

But before the referendum is reached there will be some lesser battles fought inside and outside parliament on details of the Bill—details which could have a fundamental effect on the shape and character of the assembly and thus on the future of Scotland.

One of the most important will be over the method of electing the 150 assembly members. The Government's present proposal is that voting should be by the first-past-the-post method now used in national and local government elections. But an all-party group, the Campaign for a Representative Assembly, has already announced that it intends to put down an amendment calling for a change in the voting system to proportional representation.

This change could drastically affect the political colour of the Assembly. Since 1974 there has been little between the three main parties—Labour, Tory and SNP—in electoral support. Poll after poll has shown them neck and neck with around one-third of the vote each. Yet an election on the first-past-the-post system could give the party that happened to be a few points ahead an absolute majority of Assembly seats.

This was clearly illustrated at the October 1974 general election when Labour finished only 6 per cent ahead of the Nationalists in share of the vote, yet took 41 of the 71

Scottish parliamentary seats. The SNP received more votes than the Conservatives, yet won fewer seats, 11 against 16.

Under the proportional system it is likely that (as things stand at the moment) no party would emerge from the Assembly elections with overall control. Coalitions or some looser form of power sharing would be essential.

Amendments

The Government has indicated to the Liberals that it will allow Labour MPs a free vote on proportional representation, but even this may not be enough to secure a Commons majority for the amendment unless the Shadow Cabinet decide to support the move. However, there could be a majority in favour of PR in the House of Lords and on its return to the Commons the amendment would be welcome from MPs.

Amendments are also likely to be proposed to change the way the Assembly is financed. The Government, while saying that it is sympathetic to allow the Assembly to raise some of its own revenue through taxes rather than depending entirely on the block grant allocated by Westminster, failed to find a scheme which would be workable and cheap.

One of the fears of anti-devolutionists is that giving it Assembly tax raising powers would merely mean paying higher taxes in Scotland than elsewhere in the U.K. The SNP counters this by saying that the Assembly was responsible for all revenues raised in Scotland, including those for North Sea oil, and paid Westminster a block grant—taxes centrally provided, leaving then Scottish taxes could be cut.

The balance of powers allocated to the Assembly and the remaining within the responsibility of the Secretary of State for Scotland could also be a point of controversy, particularly in regard to security policy. The argument there is on whether to give the Assembly the ability to vary incentives offered to various industries would lead to bidding-up between different areas of Britain.

The role of the Secretary of State as liaison between the Assembly and Westminster and possession of the Assembly powers may also become a point of controversy, particularly with regard to giving the Secretary of State such ability to intervene would lead to conflict and instability, and the other saying that on the contrary the same result would flow from not supervising the Assembly sufficiently.

Ray Penn

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After 25 years of mainly inward investment, the industry has evolved from unrelated assembly operations established in Scotland to take advantage of financial incentives and a good labour supply, to become a technologically self-sustaining industry in its own right with a research and development capability, working at the frontiers of electronic development.

It is undoubtedly the fastest growing industry in Scotland with a total labour force increase of 11,000 from 1965 to 1975, despite a recession in the industry worldwide, and in spite of the revolution in manufacturing techniques since then, which meant productivity soaring and should have sent workforces tumbling.

Output has risen dramatically with exports normally accounting for 75 per cent of production, in some cases well over 90 per cent. Instead of a manpower surplus, there is a severe shortage of labour at all levels but particularly at the technician and graduate engineering level.

The shortage is so serious that it is restricting growth, although by no means restraining companies from investing very heavily in a new phase of expansion, much of which is based on the indigenous R and D work of the last few years.

New projects already started by a handful of the major companies—Ferranti, Digital Equipment, MESL, Hughes Microelectronics, Motorola Scientific Atlanta among them—will account for a further 3,000 new jobs over the next two to three years.

agencies that raising risk capital is particularly difficult. The pace of growth in the industry has also militated against encouraging young enterprises taking the lead in the vital components area.

Against this background, it is surprising that small companies are being started. They are usually successful, but there are not nearly enough to give the electronics industry the total vertical integration it will need to take off.

This is largely outside the scope of electronics companies themselves and is a major challenge to the Scottish Development Agency whose remit could well have been formulated with the electronics industry in mind. A great many of the investments they have made in their first two years of operation have been in high technology electronics—although none so far in the vital components area.

One of the great strengths of the industry in Scotland is the interaction of a three-way partnership between companies and universities, with Edinburgh University's Department of Electrical Engineering taking the lead.

Another project being assisted by the Agency is the development of acoustic surface wave technology, an ultra-sonic technology which is ultra-sonic but which is found in the type of spin-off from the interaction of a three-way partnership between companies and universities, with Edinburgh University's Department of Electrical Engineering taking the lead.

One of the fears of anti-devolutionists is that giving it Assembly tax raising powers would merely mean paying higher taxes in Scotland than elsewhere in the U.K. The SNP counters this by saying that the Assembly was responsible for all revenues raised in Scotland, including those for North Sea oil, and paid Westminster a block grant—taxes centrally provided, leaving then Scottish taxes could be cut.

The balance of powers allocated to the Assembly and the remaining within the responsibility of the Secretary of State for Scotland could also be a point of controversy, particularly in regard to security policy. The argument there is on whether to give the Assembly the ability to vary incentives offered to various industries would lead to bidding-up between different areas of Britain.

The role of the Secretary of State as liaison between the Assembly and Westminster and possession of the Assembly powers may also become a point of controversy, particularly with regard to giving the Secretary of State such ability to intervene would lead to conflict and instability, and the other saying that on the contrary the same result would flow from not supervising the Assembly sufficiently.

Ray Penn

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Success


The success of the industry has been spectacular in the last decade, but is now entering a crucial phase which will decide whether Scotland's electronics industry can match and surpass the two American centres.

The weaknesses are well known and well understood, but are by no means easy to overcome and to some extent remedies lie outside the industry. The biggest gap in the industry's base is the relatively few electronic component manufacturers. Part of this has been due to the way the industry was founded. Assembly operations were set up using established manufacturers in the United States and it has been difficult for oew companies to break into the market although there are signs that in some areas, such as circuit boards, new Scottish based companies have been highly successful.

There is also a good indigenous base for precision machining. A more serious constraint on component production has been the investment climate in the U.K. generally, which makes starting any new small company difficult. In electronics technology is often so far beyond the knowledge of the financial

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مكرام الأصل

SCOTLAND V

Major banks move in

ABOUT the ups and downs of the economy, the cent. of their total advances shown in Scotland by the Wilson Committee (according to the Bank of Inquiry), and in general they are "internationalising" their activities to a considerable degree.

This process is evident in three specific but inter-related areas: the expansion of foreign business in general, including participation in consortia lending; a more than 50% increase in foreign currency deposits (and almost as large an increase in lending) in five years; and the establishment of overseas branches and representative offices as well as the acquisition of holdings in foreign institutions.

In their international activities, Scottish banks have gone far beyond their participation in North Sea exploration and production financing such as the funding of BP's Forties Field or Occidental's Piper-Claymore Fields. The Royal Bank of Scotland, for instance, is a member of a U.S.-led consortium organising a loan for the National Bank of Hungary and of another, also U.S.-led, to enable Ferranti to repay a high-interest National Enterprise Board loan as well as boost its working capital. The Bank of Scotland is among the main partners of a consortium raising finance for a methanol plant in the Soviet Union.

In their evidence to the Wilson Committee the Scottish banks show that between November 1971 and November 1976 their foreign currency holdings rose from £20.7m. to £821.7m. and their foreign currency leadings from a similarly low level to £581m. (By October last foreign currency deposits had risen to nearly £700m., or 19 per cent. of all deposits—a somewhat lower proportion than in the case of the London clearers but a substantial advance nevertheless.)

Both the Royal Bank and the Bank of Scotland have set up representative offices in New York in recent years, the former also in San Francisco and Hong Kong. All three have similar offices in Houston, the "oil capital" of America. The Bank of Scotland has a 15 per cent. stake in the International Energy Bank which arranged the funding of Piper-Claymore among others; the Royal Bank has a substantial holding in a Singapore finance house, having recently shed a loss-making stake in an Australian one.

The international aspect of their portfolios are of course among the attractions which prompted the British Rail and NCB pension funds to bid for the Scottish investment trusts.

Involvement

About a third of the total assets of U.K. investment trusts are held by Scottish trusts, which have a traditionally strong involvement in U.S. stock. The experience of the past year has however induced most of them to review their U.S. involvement. The British Investment Trust, for instance, reduced its stake in the six months to September 30, 1977, from 29.2 per cent. of the portfolio to 24.8 per cent. while increasing the U.S. share from 55.2 per cent. to 63.3 per cent.

Another significant change in the Scottish financial scene—though it affects building societies mainly—is the growing emphasis on private housing. Not so long ago as much as four-fifths of Scottish houses were built by public bodies such as local authorities, new towns and the Scottish Special Housing Association of just over 6,000 houses completed

In the third quarter of 1977, 2,500 were privately built: even more significant, of the 5,700-odd houses started during the quarter 3,500 were in the private sector.

This is obviously having a major influence on building society lending. As Scotland is poor in terms of home-based building societies, the large societies from other parts of the U.K. are having to fill the gap. Mr. Fuller M. Osborn, deputy chairman and managing director of Northern Rock, estimates that in the past three years lending in Scotland has exceeded funds raised there by almost £100m., certainly a reversal of the across-the-board flow of the 1950s and 1960s.

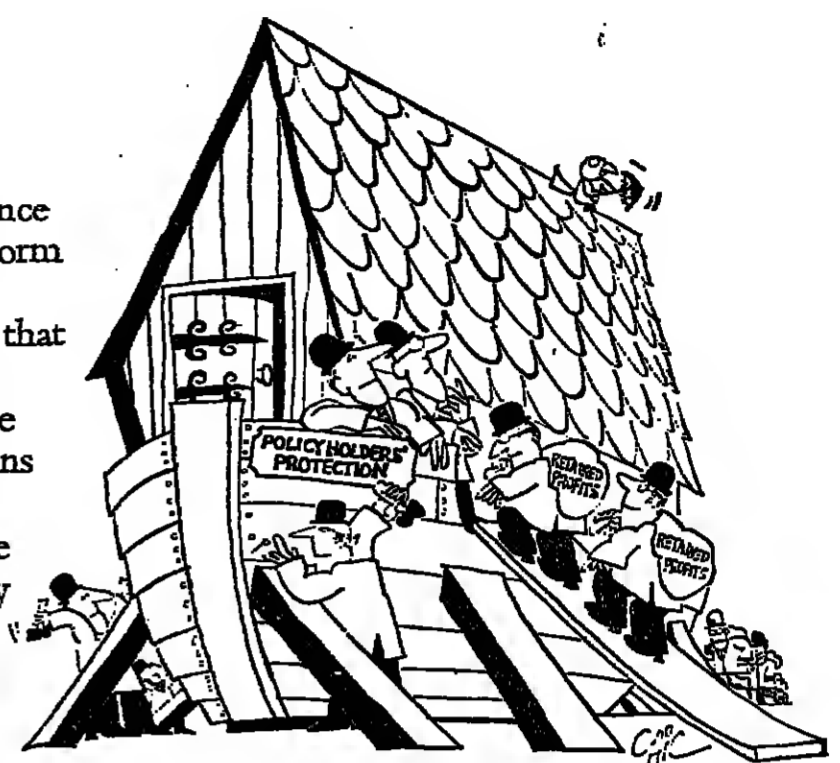
So the more than passing interest expressed in U.K. constitutional developments by the building societies as well as other financial institutions is understandable. While the Government's devolution plans merely arouse mixed feelings—objections centre on the extra cost and hurescracy aspects rather than on devolving political power from the centre—there are genuine fears about the possibility of a break-up of what is an integrated financial system.

It is these fears that the Scottish National Party is attempting to allay and, not unnaturally, the Labour and Conservative Parties as well as leading industrialists are equally vocal in trying to reinforce. For all that, even the possibility of a self-governing Scotland may have been one factor, albeit a minor one, in the recent surge of important financial institutions to acquire a foothold north of the Border. It is not one to prove — or disprove — easily either way, but the odd hint or nod by interested parties.

Andrew Hargrave

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Systems transformers at Bonar Long's electrical engineering premises in Dundee

electronics CONTINUED FROM PREVIOUS PAGE

Professor J. H. Colquhoun, a director of MESL, is one of the leading sources for the world directly to the industry. He says: "We have 45,000 people working in industry within a 30 mile radius of this university. It is convinced that the industry can and will be a world-class centre. It is not far from being fully self-generating. I want to see this rich centre generating ideas and providing the manpower for the success of the electronics industry in California and Massachusetts. They have a concentration of companies and both of which apply to the electronics industry. It is able to produce new products for specific applications. Scotland is weak in both areas of research and development provided by, for instance, Massachusetts Institute of Technology. The British Government is reluctant for sharing out research grants as widely as possible. It is an uphill struggle to get enough resources for a concentrated research effort. The University has pioneered research into acoustic wave technology, but has never had enough resources to set up the pilot manufacturing capability necessary to develop it. There are hopes that their current request for £250,000 over four years from the Science Research Council will be met, but in an industry where the rate of change in technology is so rapid, the time needed to extract money from government sources is frustrating.

On the manpower issue, Edinburgh University has been making a concentrated effort in schools to win recruits to the industry and it is working with a 40 per cent. increase in the number of students this year against 1975. The vast majority of students are from Scotland and by a deliberate policy, courses are being geared to the particular needs of the industry in Scotland. The increasing output of graduates will make a significant impact on the electrical age of graduate technicians. Leaves a shortage of technicians. Most of the bigger companies have their own training programmes, but a problem emerging is that technical colleges have been offering degree courses and the number of technicians has dropped.

Although there is still very large foreign ownership, the evolution of the industry in Scotland has led to growing autonomy with many plants achieving virtually the status of separate companies.

Hewlett-Packard at South Queensferry, who have developed a complete new range of communications test equipment, is exporting world-wide and even into the U.S. As the most profitable company in the Hewlett-Packard Group, the present Board is quite happy to give the Scottish plant its head.

There are still some problems attached to outside control. Honeywell's computer plant at Newhouse is suffering from the parent company's determination to break the IBM stranglehold in Europe through its merger with French interests. Under the merger agreement between Honeywell-Bull and CII two years ago, the French company was given the right to manufacture the big level 66 computers, which are produced at Newhouse. They have now taken up that option and because of the marketing split in Europe, the Newhouse plant will be left with only the U.K. and Italy in Europe.

Sales in the U.K. have risen since the Government relaxed its preferential treatment of ICL, but the French decision will at the very least restrict the growth of the Newhouse plant and at worst could en-

danger its future in the long term. This sort of thing is fairly isolated, but serves as a reminder of the problems of overseas control. In contrast, Burroughs at Cumbernauld, who went through a traumatic series of redundancies in the early 1970s in the changeover from electro-mechanical to fully electronic machines, has been given the lead design and production responsibility for the company's new range of mini-computers, which is the fastest growing section of the market and underlining the growing strength and reputation of the industry in Scotland, software development for the range has also been concentrated at Cumbernauld. The new B80 computer was developed from research work at Cumbernauld which began virtually from scratch in 1971. The research and development team is now nearly 300 strong, a healthy 10 per cent. of the workforce.

Overall the industry in Scotland is in a strong position with products which cover virtually the entire range of computers, a very strong presence in the military and aviation fields and a growing involvement in electronic instrumentation and in the consumer electronics field. If it can solve its component and manpower problems, it is set for spectacular growth in the next decade.

John Drummond



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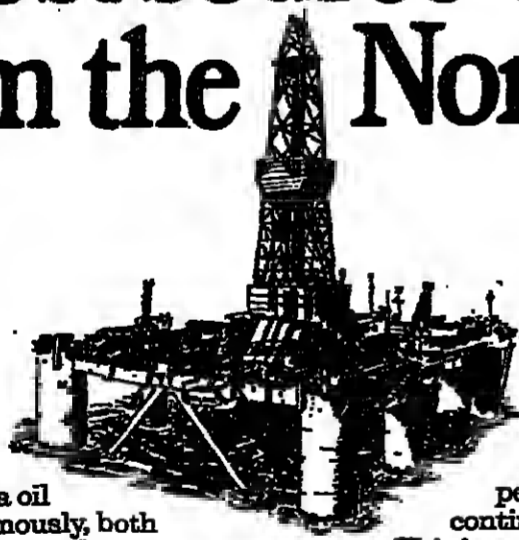
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SCOTLAND VI Fishermen bemused by politicians

A SPECTRE hangs over the Scottish fishing industry which in the eyes of the fishermen has substance and real teeth and its bite is already beginning to be felt despite the record year just ending. The industry — through its main constituent parts, the inshore and trawling organisations — has attempted to grapple with it but to speak its name is to conjure it up: Brussels.

The industry looks nervously over its shoulder to Common Market fishery decisions, or more accurately decisions not taken, many within it bitterly wishing never to have joined in the first instance and fearful of next year when the slog of finally reaching an internal EEC fishing policy should reach culmination. Meantime the boats go out and return with catches fetching high quayside prices to everyone's satisfaction. But the talking as well as the fishing continues while the North Sea is supposedly only to be fished to 1976 levels, which the British industry observes but strongly maintains have been broken by Common Market countries. Faroes increasingly tightens its restrictions, Norway can reach no agreement with the EEC — and Iceland of course has gone.

Worry

The hitting worry is will there be anything left, or anywhere to go, once an internal policy has been decided and the consequent negotiations with countries outside the EEC for fishing rights in their waters — and reciprocal rights in the EEC "pond" — have been settled? The future of conservation measures likely to figure in these decisions-to-be looks bleak after last month's failure to agree on banning fishing for Norway pout with its crucial by-catch of immature white fish, necessitating the U.K.'s unilateral ban. Similarly the stop on North Sea herring fishing was agreed, but was play a key role within the domestic Scottish economy, from the network of employment and the companies servicing the country's main trawler fleet in Aberdeen to insuring the virtual survival of smaller communities, both mainland and island, in Scotland's North and West such as Shetland, where fish-related employment is estimated at 30 per cent of all employment. Just under 28,000 people are employed in Scotland as full-time fishermen and in the ancillary trades, with nearly 16,000 of the total employed in the Grampian Region, that pie-shaped wedge between Aberdeen and Inverness jutting into the North Sea.

Immediately chipped away to allow a "small quota" for the French, with perhaps more to follow. Fishing and the network of ancillary trades supporting it was agreed, but was play a key role within the domestic

Scottish economy, from the survival on the fingers of one network of employment and the companies servicing the country's main trawler fleet in Aberdeen to insuring the virtual survival of smaller communities, both mainland and island, in Scotland's North and West such as Shetland, where fish-related employment is estimated at 30 per cent of all employment. Just under 28,000 people are employed in Scotland as full-time fishermen and in the ancillary trades, with nearly 16,000 of the total employed in the Grampian Region, that pie-shaped wedge between Aberdeen and Inverness jutting into the North Sea.

Within the U.K. fishing industry the Scottish contribution, especially since the demise of the Humberston Icelandic trawlers licensed to fish in Scotland, is a staggering percentage. For Scotland, with nine per cent of the U.K. population, total catch from Faroes accounted for 42 per cent of the value of fish landed in Britain in 1976 and 43 per cent of the volume. In that year British vessels landed 918,225 tonnes at U.K. ports worth £208.4m, with Scotland responsible for 442,261 tonnes grossing £85.8m.

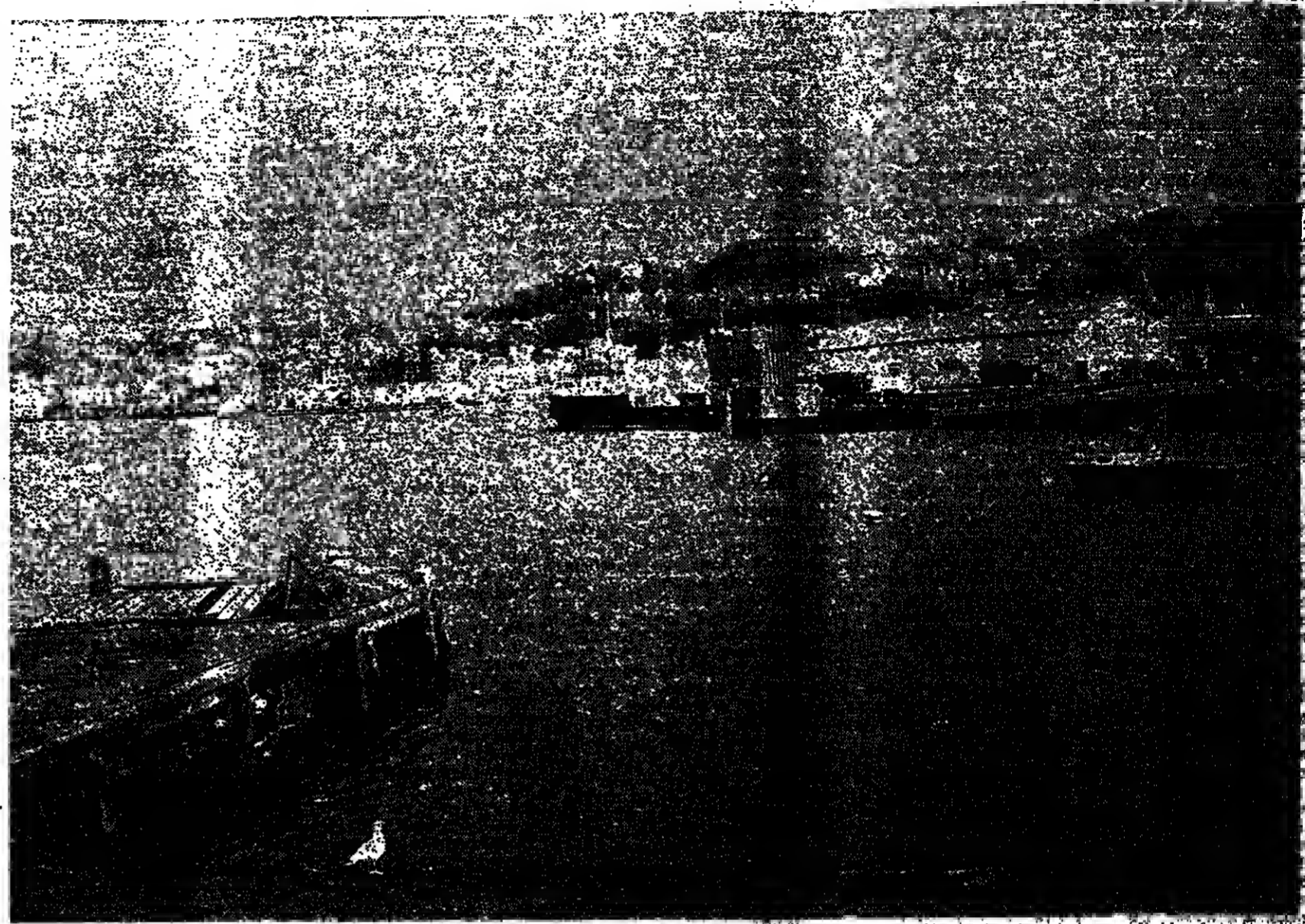
Inability

The figures bid the fear. If the fishing effort must shrink under unfavourable Common Market regulations without the Faroes on a two-way basis, and time to restructure the industry to take account of those decisions, and if the fish stocks disappear under combined Community overfishing without proper management and conservation, the Scottish economy will be severely dented and the mouths only. We have not been U.K. fishing industry will be able to do anything and the tumble, Aberdeen, with its historically sound financial, commercial and trading framework now immeasurably strengthened by the advent of oil, would survive but the smaller communities could count their months of December for the 1978 arrangements.

What happens after December 31, he admits, is in the lap of the gods. But it has been a very good year, and no one dares say so. record quayside prices reflecting the overall contraction of fish supplies. Total value for whitefish landed at Aberdeen and Peterhead by vessels 30 ft and over — the traditional middle and distant water trawlers, although three quarters of them now fish home waters — rose by 26 per cent from January to October this year over the corresponding period last year. The total value of landings by the under-30 ft whitefish trawlers and seine net boats, inshore boats which belie their name by ranging far out into the North Sea, increased by 30 and 51 per cent respectively. The value of all landings in Scotland increased by 47 per cent over the corresponding period last year.

The Norwegian question mark, however, looms over the inshore fishing industry with its 1,100 boats and 6,000 to 7,000 fishermen, as that of Faroes looms over the trawlerman. The system of payments rather than contractual wage settlements as an engaging wish borne out by the frustration that the permission of the catch from the middle of the North Sea and fishing banks in Norwegian waters. It has been estimated that as much as 60 per cent of whitefish landed by the fleet is taken from within Norway's 200-mile limit.

Third party negotiations through the Common Market have not, yet again, reached conclusion and broke down in early November to resume later this month. If no agreement is reached Norway is likely to set quotas unilaterally, signalling the failure of the EEC to negotiate with outside countries. The ultimate cost of the U.K. EEC/Faroes working party now immeasurably strengthened by the advent of oil, would survive but the smaller communities could count their months of December for the 1978 arrangements.



The harbour at Oban

Policy

The gleam recedes from the eyes, the total gloom of the approaching New Year will be abandoned. The coherent policy envisaged by the EEC. The Scottish industry sticks manfully to one thing hope but also raises demand for an exclusive zone where the coastal States for example, Britain — when it conserve and manage stocks in the benefit of its own and the fishermen.

During past disputes, particularly over Iceland, fishers' readily available with a tough practicality. A public system of payments rather than contractual wage settlements as an engaging wish borne out by the frustration that the permission of the catch from the middle of the North Sea and fishing banks in Norwegian waters. It has been estimated that as much as 60 per cent of whitefish landed by the fleet is taken from within Norway's 200-mile limit.

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SCOTLAND VII

Petrochemicals woos the planners

VISION of a Scotland petrochemicals industry to be set up beside the rich resources of gas from the North Sea and a bewitching effect on planners at both national and levels. Few areas of West Europe have attracted so many proposals during the 1970s for the development of new petrochemical plants, but the promise of "lancet" documents is still borne out by any irrevocable commitments to build a chemical industry.

Throughout Western Europe industry is trying to live with the gathering gloom of growth rates, plant overcapacity and weakening prices in such a mood it is perhaps likely to respond with enthusiasm to the clarion for major investments in petrochemicals.

What is certain is that developments must eventually come to Scotland—it has advantages over most other sites in Western Europe (the pace and scope of such is likely to be more in line with the progress of chemical markets rather than the r imaginations of some planners and politicians.)

When the industry used its last three-year projections it was not that it expects to be an increasing share of investment to Scotland—19 per cent by 1979 against only 10 per cent in 1976—enabling it to gradually take advantage of supplies of North feedstock.

ICIS

After a number of false starts, the main focus of attention is firmly on the plans of Shell Esso to build a £435m. gas processing and petrochemical plant on greenfield sites in Shell and Esso, who are developing the Brent field, the best find to date in the U.K. of the North Sea. Have an Mossmorran near Cove south as the site for a natural gas liquids fractionation plant, which would be connected to a marine terminal four miles to the south of the Firth of Forth.

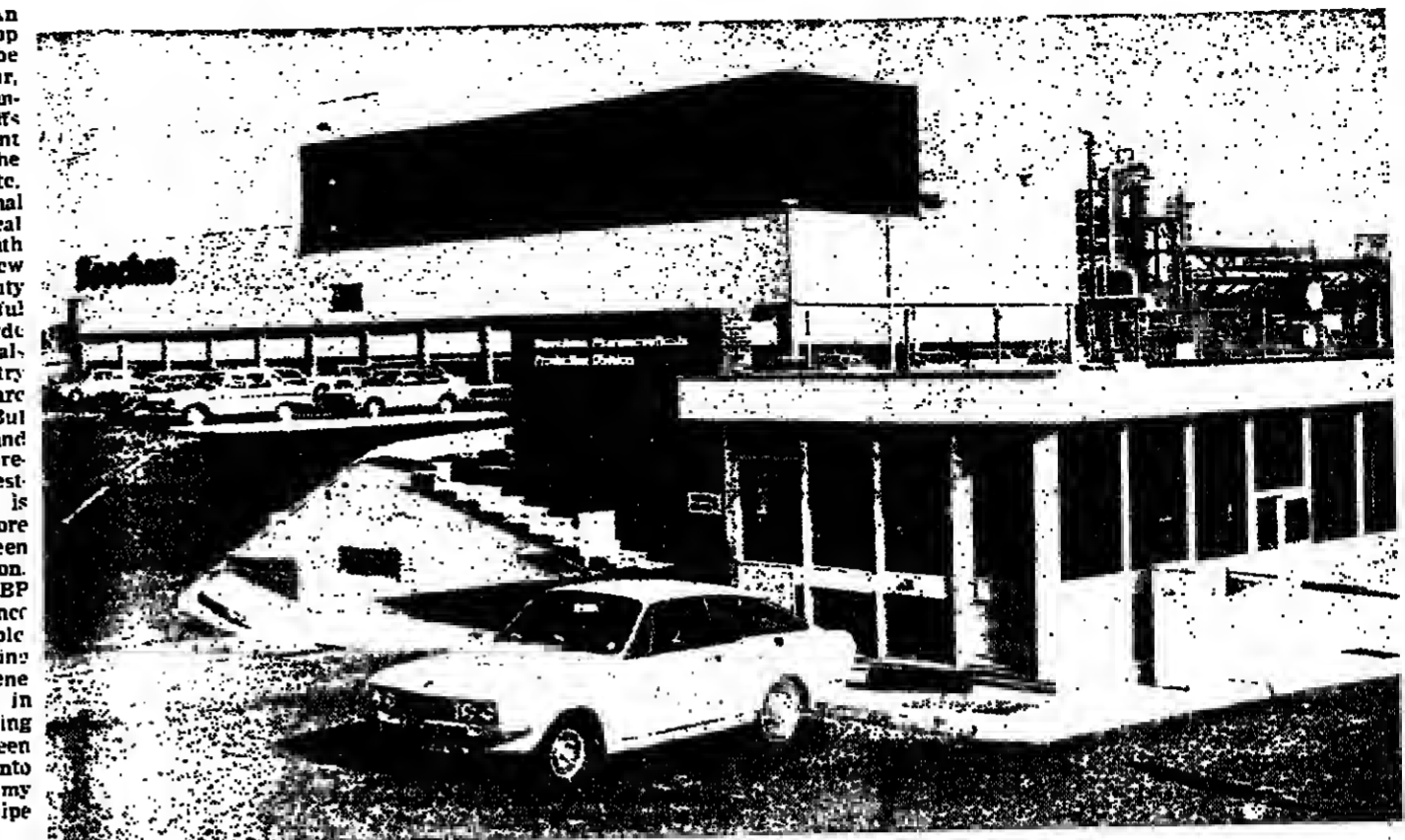
The originally Shell Exploration Production chose Peterhead, north of Aberdeen, as the site for the NGL plant. There would have been located close to Fergus where the Brent pipeline will come ashore and the methane, the natural gas will be separated and fed into the national grid. But Shell discovered to its embarrassment that its plan to use Peterhead harbour as the terminal for carrying the natural gas, and liquid petroleum gases, was not viable. The inquiry was abandoned and the search was intensified for an alternative site.

At the time the oil companies upon Mossmorran, Esso, to the delight of both Government and the local communities, had decided that it was interested in building a gas plant alongside the gas pipeline to take advantage of the readily available gas of ethane. A public inquiry was held during the summer of 1977. The inquiry was held during the summer of 1977. The inquiry was held during the summer of 1977.

Arab oil embargo badly upset BP's original plans, made in 1973, and when the Wilton cracker comes on stream next year, the company will be facing an ethylene surplus for several years to come.

As one of BP Chemicals' customers at Grange, Borg Warner Chemicals of the U.S. is working on a £50m. investment in the construction of a new ABS plant, boosting its capacity on the site from 20,000 to 70,000 tonnes a year. Early next year this plant, producing one of the leading medium tonnage engineering plastics, will be joined by a new plant for the production of MBS modifier resins. The plant will have a capacity of 22,000 tonnes a year.

But long before petrochemicals arrived at Grange, the site had been chosen by James Morton for the construction of his Scottish Dyes company. This was taken over in 1928 by ICI, and the site is now an important part of its Organics Division, employing some 1,800 people in the manufacture of fine organic chemicals, such as dyes, pigments, crop protection chemicals and rubber chemicals. A £15m. expansion of its fibre reactive dyes plant there is now underway and should be completed in the middle of 1979.



Kevin Done
Chemicals Correspondent

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SCOTLAND VIII

SCOTTISH WORKERS WIN WORLD-WIDE AWARD.

One vital factor that is attracting industry to the Lothian Region of Scotland is the quality of labour around the Edinburgh area.

Take one example. The Levi Strauss factory at Whitburn has just topped the group's international "efficiency league".

Factories in the group compete, on identical production criteria, for the "most efficient" title—factories in the Far East, in Canada, Australia, Belgium, France and 12 other countries.

Whitburn Plant Manager, Eric Robertson, says: "We employ 300 very hard-working people, mostly women, producing jeans. And we've a very good chance of winning the league again."

In a totally different type of activity—the production of high grade electronic equipment—Hewlett-Packard have established a major design and development facility in their plant at South Queensferry. More than half of the equipment manufactured by Hewlett-Packard in Lothian is designed and developed in the local plant. That happens nowhere else in any other Hewlett-Packard factory throughout the world.

MAJOR INVESTMENT CENTRE

But labour is by no means the only positive asset the Lothian Region offers industrialists.

Edinburgh is one of Europe's foremost funding and investment centres. There is no better place for commercial money. And, of course, Lothian is a full Development Area, with all the grants and benefits that go with Development status.

As to performance, no fewer than 147 companies are finding success in factories on industrial estates owned by Lothian Regional Council.

On the Edinburgh Industrial Park at South Gyle there are now only 36 acres available out of the original 90.

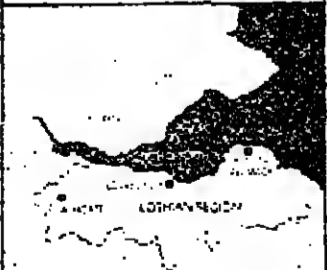
Currently, there are 22 industrial sites available, all fully-serviced and ready for factories. The sites range from 0.5 acres to sites of national importance for a major industrial development, like the one at Linhouse in West Lothian, with 281 acres.

MODERN FACTORIES

There are also seven modern factories available in the Region, from 2,000 sq. ft. to 50,000 sq. ft., plus 13 warehouses, from 5,000 sq. ft. to 200,000 sq. ft.

Lothian scores high when it comes to transportation of goods and people. Some sites are only five minutes from Edinburgh Airport, while others are just seven minutes from Edinburgh's High Street, or five minutes from Leith Docks.

Access to the motorway network, rail termini, and ports is outstanding.



For more information on labour, sites, factories, or funding, contact:— R. I. Shanks, Industrial Development Manager, Lothian Region Development Authority 18 St. Giles Street, Edinburgh EH1 1PT Telephone: 031-229 9292 Ext 3432

LOTHIAN REGION.

Headaches for steel and coal

TWO OF the industries at the heart of Scotland's industrial history are now facing a similar mixed future: on the one hand a major programme of investment is underway to modernise each of them, on the other low productivity is causing serious concern.

The paradox is most marked in steel, where the British Steel Corporation's strategy for reducing its £500m. a year losses—expected to be announced shortly—is certain to involve the closure of many outdated plants and a large number of redundancies. Steel union leaders have estimated that as many as 1,500 jobs could be lost by Christmas.

As the smallest of BSC's five geographical divisions, Scotland last year managed only a tenth of its total liquid steel output, but more than half the total loss—£50.6m. out of £95m. The lack of orders for its principal products, strip and plate, hit the division hard.

Emotional

The industry still has a strong emotional pull on unions in Scotland, who look to the establishment of an integrated steel works at the Ayrshire coastal site of Hunterston to fuel the regeneration of Scottish industry with plentiful supplies of cheap raw material. The acceleration of the Beswick proposals for closing inefficient plants and the possible postponement of modernisation plans will come as a blow to them.

Union officials have also been embarrassed by the willingness with which some workers have contemplated the early closure of older plants. Fed up with working at reduced pace for only basic wages, they see the impending announcement from Sir Charles Villiers, BSC's chairman, as a chance to escape from uncertainty with a lump sum payment to help in the search for a new job.

A dozen locations could be affected. Most likely are the open-hearth steelmaking shops at Clydesbridge, Dalzell, Ravens-

craig, Lanarkshire, and Glegarnock, which, with the exception of the last one, were due to close by January under the Beswick proposals. Their disappearance was to be dependent on new capacity being available at Ravenscraig to meet expected demand, but with the current order shortage they could be closed virtually immediately.

The Hallside primary and billet mills, the Craignouk bar mill and the Glegarnock blooming mill, which were reworked in 1976 and given an extended life into the 1980s, could now find that their closing dates are again brought forward, or that they are mothballed for an indefinite period.

Other mills may come under threat, as might the iron foundry at Hamilton, which, again, was reworked by the Beswick review.

The loss of jobs is bound to plunge West-Central Scotland into trauma, particularly as it is likely to come at a time when unemployment is rising against the U.K. trend. But far more serious from the point of view of the future of Scottish steel would be the postponing of already announced plans for investment.

The Holy Grail of the Hunterston integrated plant has already receded over the horizon, but BSC has also announced several other proposals which seemed more realistic, but might now be put at risk.

The expansion at Ravenscraig, which at a cost of £220m. will double annual capacity to 3.2m. tonnes, is well advanced and unlikely to be affected. But more vulnerable are the plans for an electric arc furnace at Hunterston, which could join other plants for electric arcs at Ravenscraig and elsewhere in being put off indefinitely.

This would reduce Hunterston, where BSC has 1,400 acres and had planned the whole range of steel industry activities, to a service base for Ravenscraig. The £160m. investment already under construction there will provide an ore terminal, where carriers of up to 500,000 tonnes can be unloaded and

their cargoes transferred to rail wagons, and a direct reduction plant to produce iron pellets.

Reduced

The Scottish coal industry's problems are not nearly so likely to come to a head. The National Coal Board's Scottish area reduced its loss from £8.9m. in 1975-76 to a little over £4.7m. last year and, according to the Scottish area director, Mr. James Cowan, was making useful progress towards the target of breaking even by 1980. However, results so far this year are less satisfactory and

there are growing fears that productivity could go on declining. The NCB's disappointment over the rejection of the national pit incentive scheme by a ballot of National Union of Mineworkers' members was felt acutely in Scotland, where the vote was a decisive "No."

It was only partly compensated by the fact that Mr. Mick McGahay, vice-president of the union nationally and leader of the militant Scottish coalfields, joined the appeal by union officials for a voluntary increase in effort.

Geological conditions have

contributed to lower productivity in Scotland than in Britain as a whole, but the national decline in production has been accompanied by a slide north of the border.

Exciting

From a peak of 39.5 cwt per man shift in 1974-75, the level fell last year to 38.6 and is again down this year. The corresponding national figures were a peak of 45.8 in 1972-73 to 43.6 last year. The fall in total output from Scottish pits was 630,000 tons last year, a 6.6 per cent

decline, compared with between 5 and 6 per cent for the country as a whole.

Yet despite this disappointing result Sir Derek Ezra, chairman of the NCB, has predicted an exciting future for the Scottish area as it reaps the benefits of heavy investment and tastes the security provided by the Government's £7m. a year subsidy to the South of Scotland Electricity Board to maintain coalburn over the next five years.

The planned investment programme of £30m. is intended to modernise existing pits and secure new sources of coal. It

includes plans to exploit the 50m. tons of reserves in the Musselburgh area, near Edin-burgh, and sink a new shaft at the Castlehill Colliery in the Longannet complex, Kincairdineshire.

The seven seams in the first of these fields could be worked at up to three times the present productivity levels in Scotland and tentative estimates provide for an output of 500,000 tons year.

Further development work underway in a number of other pits and drilling in both east and west Scotland.

R.J.

The nuclear expansion

THE NEXT major phase in the development of power resources in Scotland will hinge upon the forthcoming Government decision on a thermal nuclear reactor programme.

Scotland already generates about twice the proportion of nuclear power used in the U.K. as a whole, and the long-term plans of the two Scottish generating Boards envisage a steady expansion in nuclear capacity to meet growing electricity needs between now and the year 2000.

For that reason the larger of the authorities, the South of Scotland Electricity Board, can be expected to be among the first in the queue for permission to build a nuclear station based on the reactor choice made by the Government, probably before the end of this year.

The project will be sited at Torness Point, near Dunbar on the East Coast. The SSEB already has planning clearance and would probably have started construction of a station there had the Government not decided to review reactor

policy.

It now seems almost certain that the review will lead to the abandonment of the British-developed steam generating heavy water reactor which was the type of system the SSEB favoured for the Torness plant. Instead the country will opt for the U.S.-designed light water reactor or another batch of advanced gas-cooled reactors, or possibly a programme involving a mixture of both types.

Successful

Of the two designs, the SSEB would undoubtedly prefer the AGR because of the experience it has gained in the successful operation of one of the first of this type of system at the Hunterston B plant. Although there have been some teething troubles at the non-nuclear end of the station, the reactor system has generally performed satisfactorily since its commissioning last year and has made a major contribution to generating needs in central Scotland.

Additional nuclear power is an important component in the

overall plan by the two Scottish generating Boards to ensure a flexible mix of plant which will prevent over-dependence on any single source of fuel. Although there are no proposals at present to build additional coal-fired power stations, the bulk of Scottish electricity supplies will continue to be drawn from the large modern coal-burning stations like Longannet, Cockerzie and Kincairdine, all sited on the Forth Estuary.

In spite of pressure from the miners for an even greater commitment to coal-burning capacity, the SSEB maintains that it can already take as much coal as the Scottish pits can produce.

A third main component in the off-peak periods overnight Scottish power provision is the oil-fired stations such as the recently completed Inverkip plant on the Clyde Estuary and the station which the North of Scotland Electricity Board is building at Peterhead.

The North of Scotland Board which co-operated closely with the SSEB in forward planning, is also committed to expansion of nuclear capacity. It already

receives output from the prototype fast breeder reactor at Dounreay in Caithness and it has reserved a site at Stake Ness in Banffshire as a possible location for its own nuclear station.

Pumped

But the first project on which the Hydro Board is likely to embark will be a pumped storage scheme at Craigoyston, on the banks of Loch Lomond. Initial investigation has suggested that an ultimate capacity of some 3,200 MW could be developed at the site. Power from nuclear stations in Central Scotland would be used during the off-peak periods overnight to pump up water from Loch Lomond which could be stored in the reservoir and then used to drive turbines in the North of Scotland Electricity Board's periods of peak demand.

The scheme has many attractions from an economic standpoint, but there is likely to be controversy on amenity grounds. Studies, however, have shown that the power plant and

associated pipelines can be underground to minimise impact on the landscape.

Looking further into the future, increasing interest is being taken in the possibility of providing an added boost to Scottish power provision by tapping offshore generation potential. One scheme, which is currently being tried experimentally in Loch Ness, involves using wave power to generate electricity directly from the sea.

A Government study is under way into the possibility of generating electricity offshore by using small accumulations of natural gas found at isolated locations in the northern North Sea. It would probably be costly to transport the gas ashore by pipeline, but if a system of offshore power plants can be devised, it should be possible to transmit power cable at just a fraction of the cost.

By a Correspondent

A new era for gas

IN SCOTTISH gas industry circles, 1977 will be remembered as an historic year which saw two important landmarks in the development of the industry.

First there was the completion in September of the conversion programme to put the bulk of Scottish customers on to natural gas. Days later the second major event took place when the first supplies of gas arrived ashore from the giant Frigg field off the Scottish coast. It signified the start of a new era of gas production from northern waters.

It also meant a reversal in the south-north flow of gas along the new trunk lines which British Gas has installed over the last few years as part of its natural gas development programme.

When the first natural gas conversions were carried out in Scotland in 1970, it was assumed that the gas supplies would be sent north from the fields which had been discovered in the comparatively shallow waters off East Anglia and the Humber. The plans to tackle between 2,000 and 4,000 conversions a week were well underway before it was realised that there were even larger explorable gas accumulations beneath the deeper and stormier waters off the Scottish coast.

Fortunately the extent of the reserves at the Frigg Field, which straddles the exploration boundary between the British and Norwegian zones, were sufficiently large to justify investment in the platforms and twin pipelines needed to land the gas onshore. The landfill terminal built by British Gas at St. Fergus in the Grampian region will also in a few years start handling supplies from the Brent oilfield which has a particularly high gas content.

Onshore British Gas have laid three new trunk lines from St. Fergus to carry gas south to the main marketing areas. Already surveys are being carried out of possible routes for a fourth and possibly fifth line which would be required if there is any further expansion in supplies from the northern North Sea.

One spinoff from the offshore developments has been of direct benefit to gas customers in North-East Scotland. They are now linked into the national

natural gas grid some years earlier than would have been the case if the Frigg project had not been launched.

Scotland was the last British Gas region to complete conversion work. During the seven-year operation more than 840,000 customers were visited and 2m. appliances were converted to handle the fuel, which has a higher calorific value than the town gas formerly supplied to Scottish customers. The availability of additional supplies from the northern North Sea has also enabled British Gas to take on new large-scale supply commitments, notably the contract recently signed with British Steel to supply Frigg gas to the direct ore reduction plant at Hunterston in Ayrshire.

Phase

But although natural gas is now on stream throughout Scotland, development work has by no means ended. The next major phase is likely to arise from the proposals for a common gas gathering system linking North Sea fields for which no individual pipeline arrangements have been made. A study company investigating the feasibility of such a scheme is due to report to the Government by the end of March on a possible routing for the undersea pipeline network which could involve investment of between £2bn. and £5bn. If the project goes ahead, it would inevitably involve the gas being landed at some suitable location on the east coast of Scotland. Because the Scottish market could only use a proportion of the additional supplies, there would have to be more trunk lines to take the supplies south.

Hints have also been given recently that the Government would like to co-operate with the Norwegians, who also have a number of sources of natural gas, in building a joint gas gathering scheme. It would be more practical to land the gas in Scotland than Norway, which has a deep seabed trench running parallel to the coast, and this would mean that further onshore pipelines would have to be laid in Scotland if the Norwegians wanted their gas to be re-exported to premium markets on the continent.

By a Correspondent

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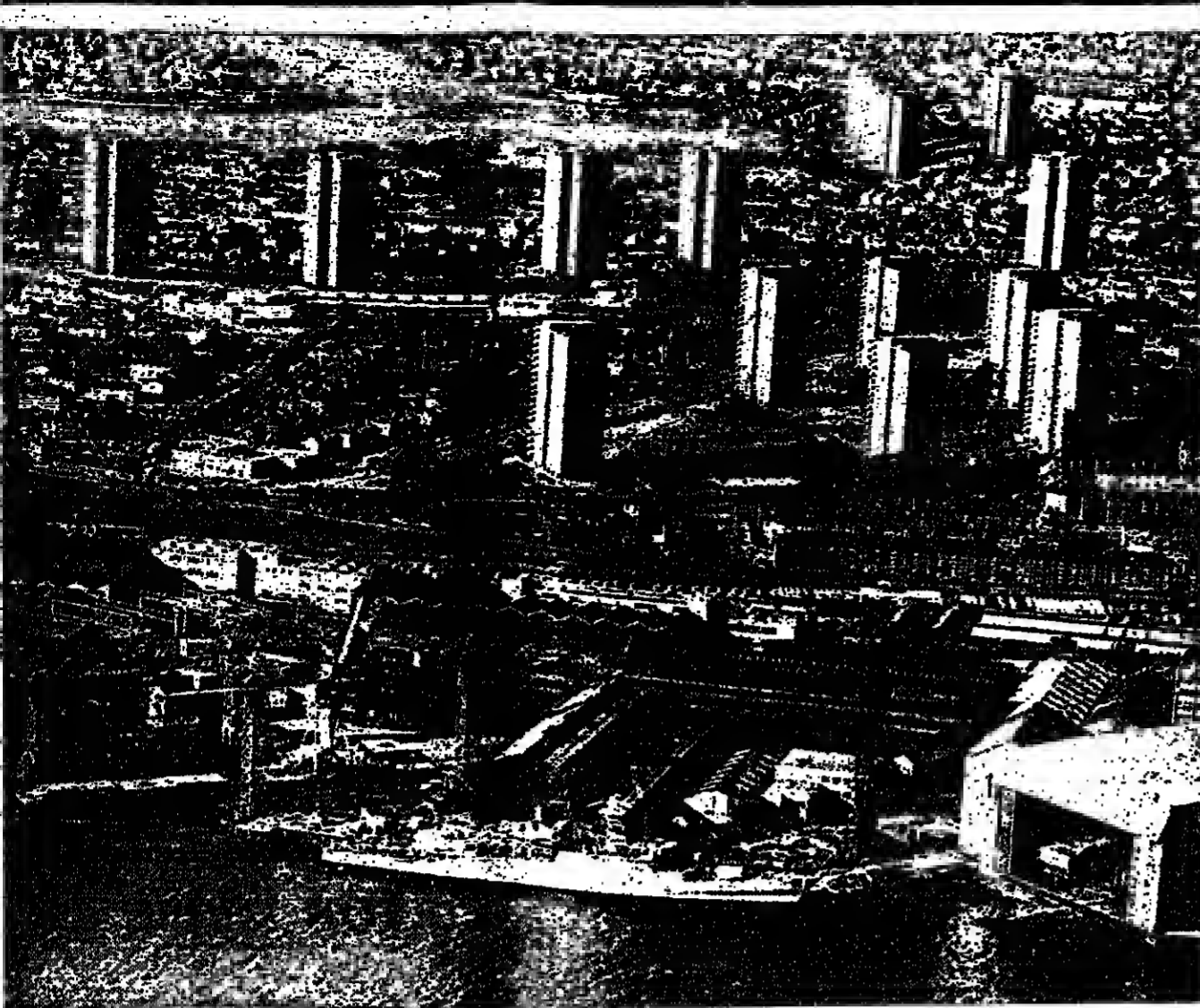
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SCOTLAND IX



Clydeside

Shipyards manage to keep afloat

BUILDING AND heavy an industry facing possible passing still, comprise a considerable sector of Scottish industry, despite the post-war World War swing away from high technology manufacturing such as electronics and ever-growing demand towards the U.K.'s three main shipbuilding areas, with nearly 60,000 workers directly employed in three main areas on Clydeside—the sole survivors of what was once the largest of the world shipbuilding industry. Other yards are located on the east coast, and there is a marine engineering industry building from huge diesel engines to ship's galleys. In probably 50,000 Scottish jobs directly or indirectly on the health of the shipyards, an employment and young factor which the Government is aware of.

Specialist
Also on the Upper Clyde are Yarrow (Shipbuilders), the specialist yard which in recent years has concentrated entirely on sophisticated naval work. Yarrow, which was absorbed into British Shipbuilders together with the four other main Scottish yards, has a successful record of building frigates and other complex surface craft for navies around the world, but the U.K.'s 1974 had until earlier this year made the Scottish yard uncompetitive abroad. Since that time Yarrow has built five Type 21 frigates for the Royal Navy, and is now engaged on four of the latest Type 22 all-missile frigates, also for the RN. Three months ago they clinched a £55m deal with Iran to build four 2,500-ton logistical support vessels similar to two sister

ships delivered in 1973 and 1974. Yarrow's present order book takes the yard's 5,400 workforce through to the end of 1979, making it among the most secure in the industry in the U.K. Run by the same family since the yard was built in the latter half of the last century, Yarrow has not only been one of the most commercially successful shipyards in this country, but has not hesitated to reinvest profits in new equipment. Hence the yard boasts one of the largest covered building berths in the U.K., where two frigates can be constructed indoors at the same time.

Twenty miles down-river, at Port Glasgow and Greenock, the Scott Lithgow Group of five yards is one of Britain's three largest shipbuilding complexes. Formed as a result of the Geddes report in 1967, with its merger recommendations, Scott Lithgow has pursued an individualistic and successful path ever since. Employing 8,000, the group is capable of building virtually any type of merchant vessel, from VLCC to ferry, and has a specialist naval yard at Greenock which is the only one in the U.K. still geared to making conventional diesel-powered submarines for which there still exists a good overseas market. But it is in offshore oil that Scott Lithgow has come to the fore. Over the last five years the group has first tentatively dipped a toe in oil-related waters, then taken the final plunge. Its range of craft being marketed by a newly formed offshore division includes dynamically-positioned drill ships, supply vessels, steel gravity base oil platforms and tension-leg steel platforms.

Crucial
Engineering in Scotland employs well over 150,000 and is a crucial sector of the industrial economy. Many companies at the heavier end of the business have translated their traditional skills into high technology fields with international success, including the Weir Group with its desalination plant and John Brown Engineering with its industrial gas turbines built under licence from General Electric in the U.S. But this trend has not been sufficient to reverse the decline in engineering which has continued apace, particularly in west central Scotland, for the past 50 years. With some outstanding exceptions, the Scottish engineering sector has failed to make the most of the opportunities offered by North Sea oil. Oil-related employment in Strathclyde region has slumped to less than 3,000 jobs. Compounding the situation, several sectors of the engineering industry are suffering from cut-price overseas competition which is pricing companies out of projects on their own doorstep.

On the east coast Robb Caledonian Shipbuilders employs 1,500 in the Dundee and Leith yards. The company had a troubled year, having to pay off £800 at Leith through lack of work, the closure of the yard only being averted by a Scottish Office ferry order for the nationalised operators Caledonian MacBrayne. At Dundee, a recent £4.5m order from the New Zealand subsidiary of Portland Cement for a self-unloading bulk carrier, has secured the future until next summer. But both yards need considerable modernisation and expenditure to see them through into the 1980s and beyond.

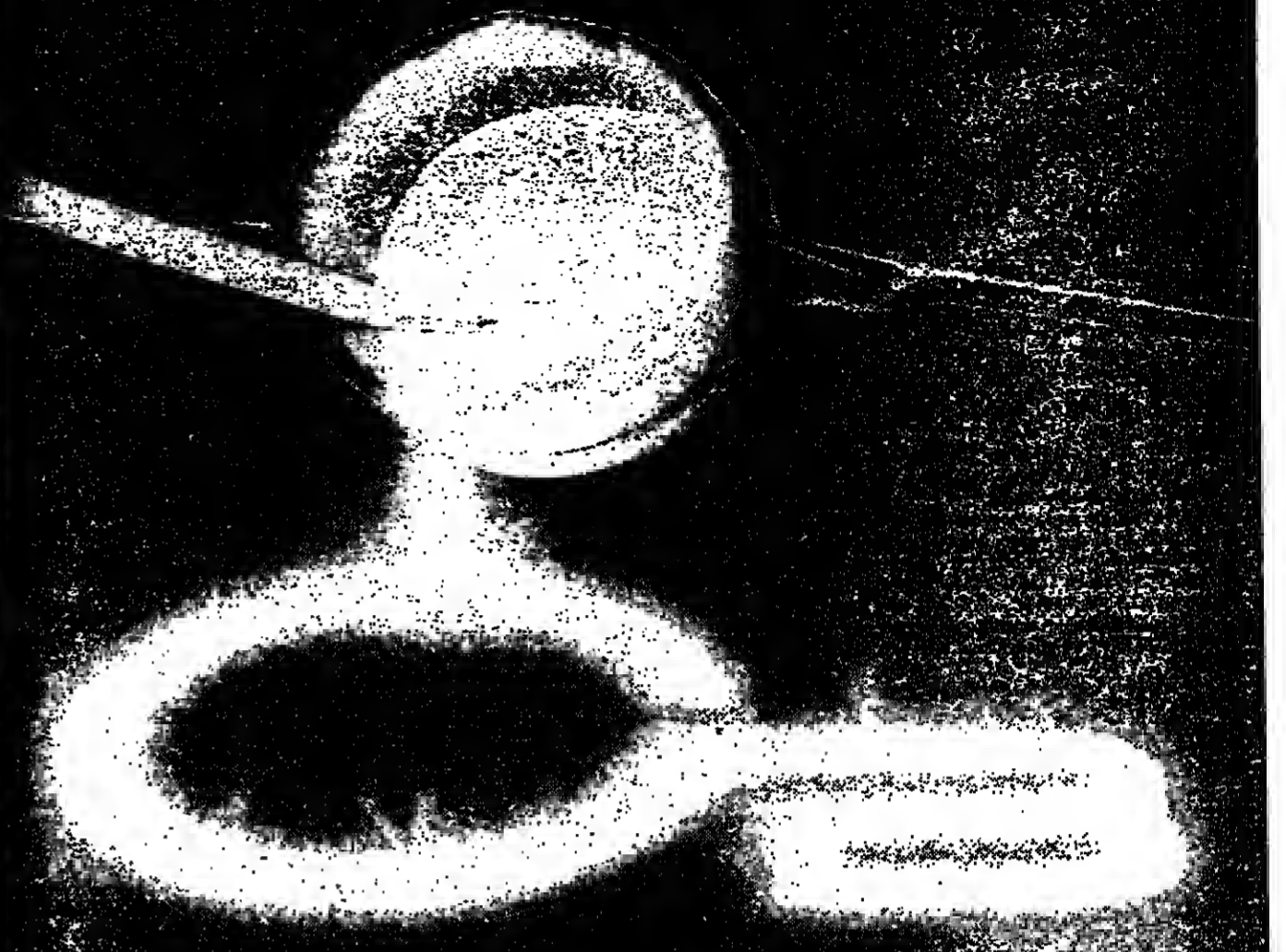
Farther north, at Aberdeen, Hall Russell is the smallest Scottish yard to have been taken over by British Shipbuilders. Employing 1,000, the yard also has one of the healthiest order-books. It is currently completing a £14m Royal Navy order for five Island class offshore patrol vessels, and also has three tugs for Shell's Sullom Voe oil terminal and four torpedo recovery boats for the Ministry of Defence to construct. In addition, the yard has been awarded the design contract for a new Scottish Office fishery protection vessel, and is thus well placed to win the first order at about the end of the year.

In general, Scottish shipyards have fared relatively better than their counterparts in England for orders in the past year, particularly those where the Government has been able to help through judicious use of its intervention fund. With devolution on the Parliamentary agenda for the coming session it seems unlikely that there will be any early rundown in the shipbuilding industry north of the border. The same could be said to a large extent for marine engineering, where some companies like Speedcranes of Greenock and John G. Kincaid of Greenock, the nationalised engine-builder, have won orders from foreign shipowners and shipbuilders in the face of intense competition.

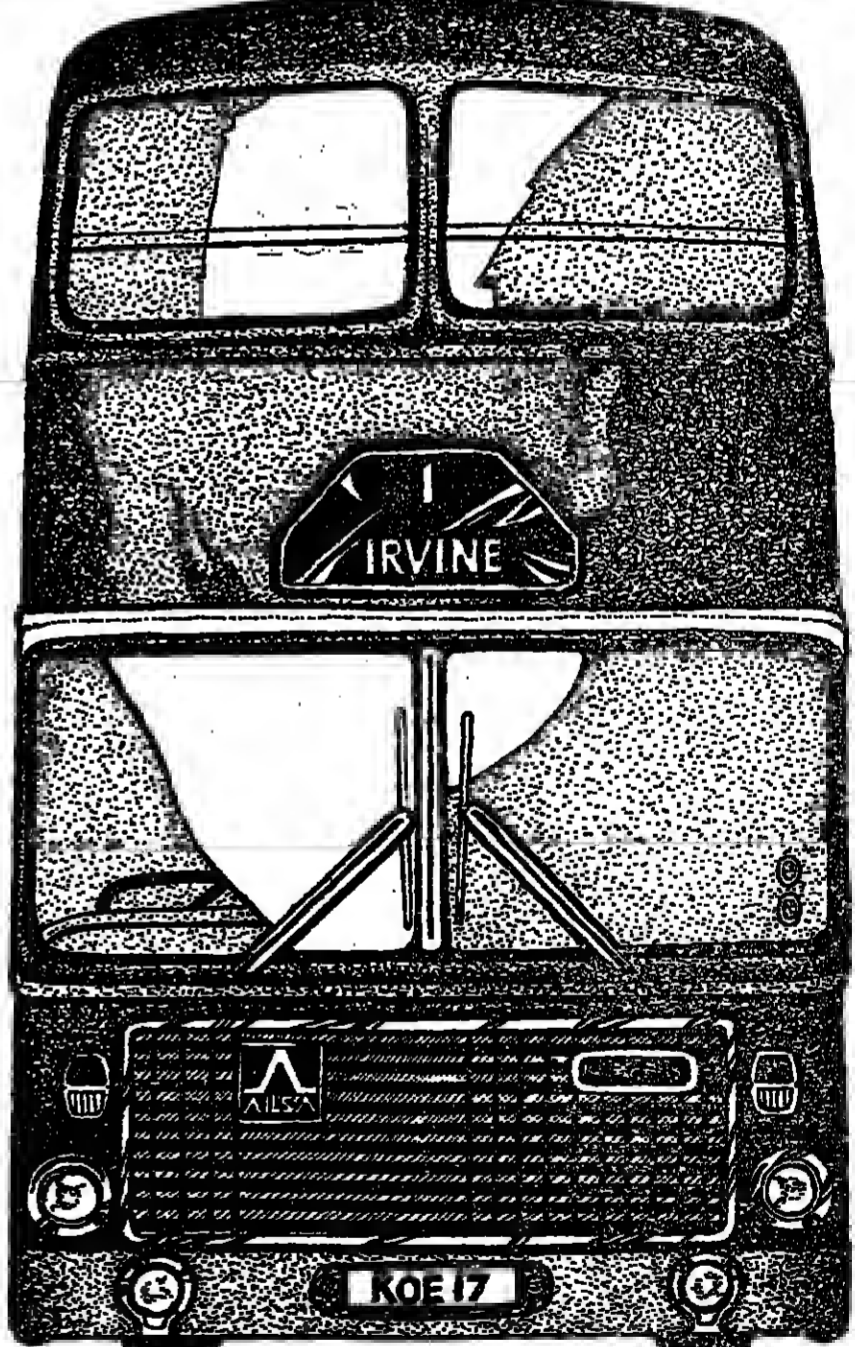
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SCOTLAND XI

Airport capacity under pressure

BRITISH AIRPORTS are through a dynamic period which the catalyst of oil is rapid growth and a re-assessment of the role of airports, particularly to remote

expertise necessary to run an increasingly busy terminal. The cost, a total of £15m, for buildings and runway, was shared 75 per cent. by the Government and 25 per cent. by the BAA.

A month later the Aberdeen terminal was opened, replacing a group of temporary buildings which had to serve the fastest growing airport in Britain. As the oil capital of the U.K. Aberdeen had become the base for two of the busiest helicopter operators in the world as well as a centre for charter flying and an increasing range of scheduled services to destinations within Britain and abroad.

The new buildings have vastly increased capacity and passenger comfort, contributing at the same time to the attractiveness of the city as a base for industry.

only lead eventually to higher landing charges and in turn increased fares. Objections have been made through local authorities and MPs and the Department of Trade is now considering the issue.

Opposition has been so fierce that last week Mr. Norman Payne, chairman of the BAA, issued a lengthy statement making clear that if the ownership of the Highlands and Islands airports is transferred it would not automatically lead to increased charges.

Mr. Payne's statement is unlikely to quell all opposition, but it may allay some fears, particularly in those remote districts untouched by oil development.

Impetus Oil has also provided an impetus to development of Scotland's ports, particularly so the east of the country. Improvements have been carried out at Leith, Peterhead and Duodeed and at Montrose a completely new oil supply base has been established.

the past year two cities—Edinburgh and Glasgow—have had virtually no growth in traffic. New airports were recently opened and the Government announced that it is considering transferring responsibility for the smaller Highland airports from the Civil Aviation Authority to the Scottish Airports Authority.

Expansion New airport developments have also made possible an expansion in the number of destinations which can be reached directly from Scotland on scheduled services. It is now possible to fly directly to 16 British cities, to eight European destinations and to make transatlantic flights to the U.S. and Canada via Prestwick.

But oil and a general increase in business flying has not only affected the large airports. Many of the smaller

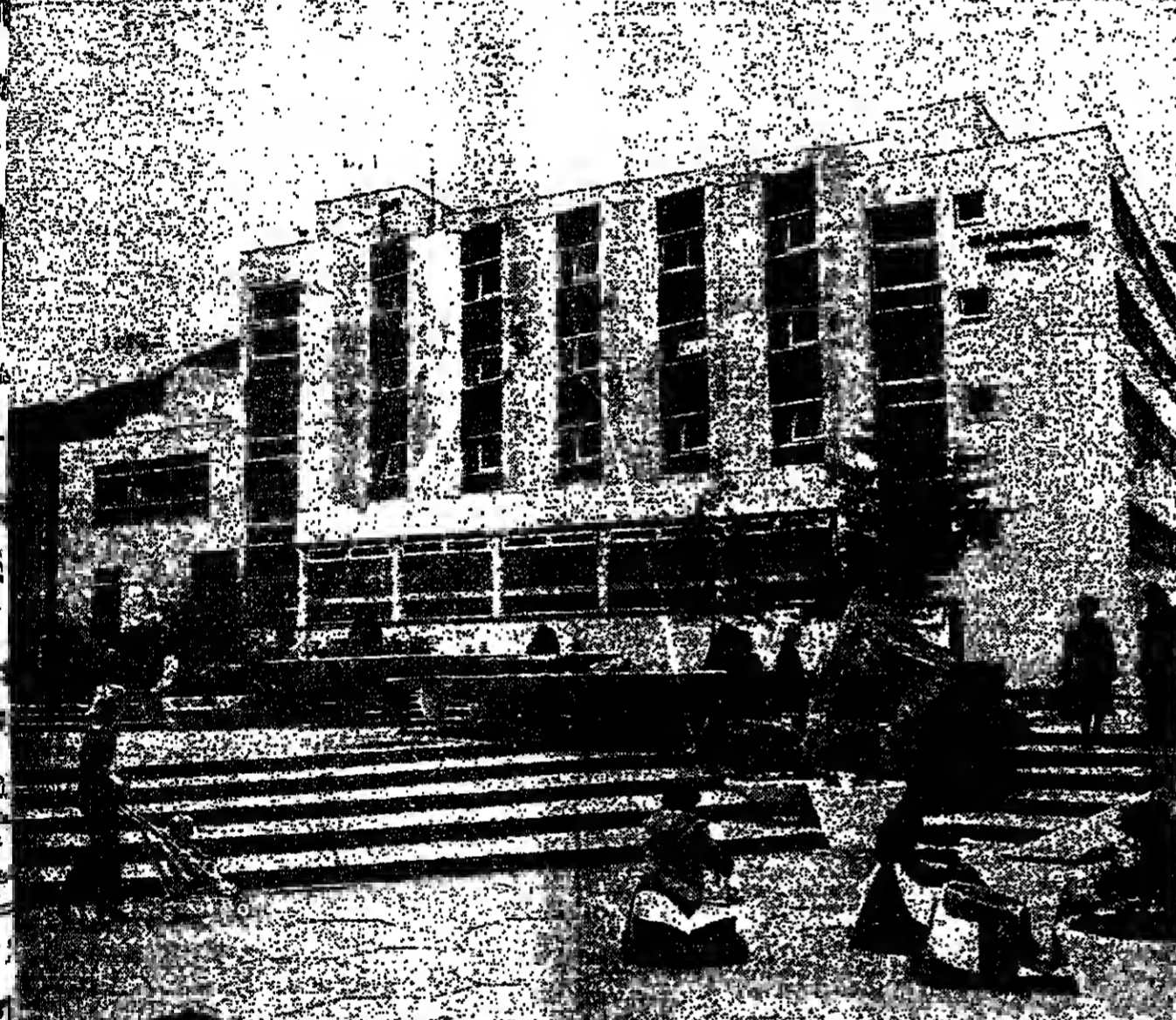
fields, particularly those in Orkney, Shetland and Inverness, have also felt the impact and their future is now a matter for debate and discussion.

If we acquire the airports on April 1 1978 we would have an intention of increasing landing fees at these airports in 1978-9 over and above those already in force at the time of transfer. Therefore users, that is passengers and the airlines with whom they fly, can discount the fears and apprehensions that automatic rises in air fares would be imminent.

Obviously no matter who owns the airport some review would have to be undertaken at a later stage. If only to take account of inflation, but we would aim to increase the commercial revenues of the airports to improve their economy as we have done elsewhere.

He added that currently some of these airports make a loss, but it had been suggested that if the BAA were to take them over an operating subsidy should be paid for a period of

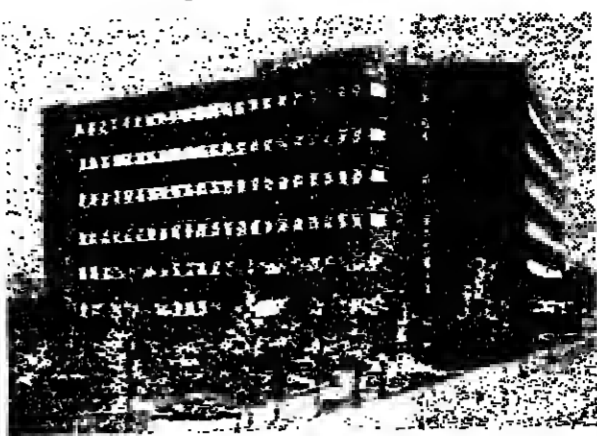
years to cover the deficit. Further, the BAA had asked for capital grants to help develop airports to make them more attractive. The total spending on the eight airports could be £2m, £3m. over the next five years.



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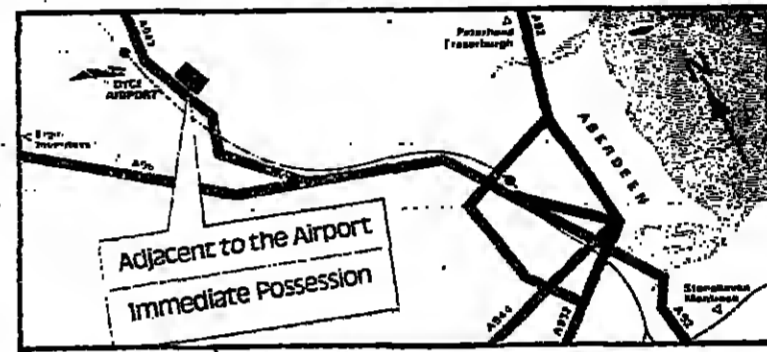
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Forestry

CONTINUED FROM PREVIOUS PAGE

Expansion can take place without danger to hill farming and, where forests can be planted to provide shelter, a parallel increase in agricultural production can be achieved.

The Forestry Commission, while not disagreeing that sufficient raw load might be available to meet expansion on this scale, has doubts that it can be done without prejudice to agriculture.

In a recent paper to the conference of the Timber Growers Organisation, Mr. G. D. Holmes of the Commission, quotes evidence to support his view that the most land that could be realistically assumed to be available to forestry without damage to farming was in the region of 600,000 hectares—about a third of the SNP's requirement.

Taking the present and potential forests together, the total would therefore be 1.37m. hectares.

Private foresters have also taken issue with the SNP on the size of the area they maintain could be turned over to timber production.

Target

In the short-term, the Forestry Commission's target is an increase in area for new planting of 18,000 hectares per annum, and the experience of recent years suggests that it will have to look for most of this in Scotland. In 1975-76

for example, the Commission acquired 98 per cent. of its land north of the border.

The Commission too has compulsory powers, but like the Highlands Board has never used them, preferring to buy on the market.

The demand for land from private forestry is more difficult to predict, but if it is to maintain the balance against Commission-owned land a recovery in the level of new planting will be essential. Since 1970 the trend has been distinctly downwards. By 1976-77 private tree plantings in Scotland had fallen by two-thirds of its 1973-1974 level of around 50,000 hectares.

There is hope that the recent review of forestry grants (some of which were increased by more than 30 per cent.) will help to encourage growth in private planting, but private forest owners still have doubts about Capital Transfer Tax.

The Government has recently dropped some of the conditions applied to CTT in respect of woodlands, but one of the central drawbacks for private owners still remains. Although tax on woodlands can either be paid at the time of death of the owner, or postponed until the timber is bringing in revenue it still has to be paid on the revenue realised at the time of sale, which could be 20 to 30 years after the death of the owner.

R.P.

SCOTLAND

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SCOTLAND XII

Inexperience in motors

The right place at the right time

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Inverclyde

THE CREATION of the motor industry in Scotland has come about largely as a result of a deliberate act of Government intervention. Both the Linwood car manufacturing plant of Chrysler U.K. and Leyland's truck facility at Bathgate sprang into being in the 1960s when the Government was redirecting industry away from the crowded Midlands to areas of high unemployment. These two operations employ by far the majority of workers in the Scottish industry.

It is often argued that the inexperience of Scottish workers in the assembly line techniques necessary for producing a car is one of the reasons for the perpetual troubles which have hung over these two factories ever since their formation. The workforce is virtually all first generation, in sharp contrast to the Midlands where employment in the industry has been passed down from father to son. For many years the only significant producer has been Albion trucks, the Glasgow concern which was bought by Leyland Motors in the 1950s. Apart from that, and a fledgling industry which never matured in the early years of the century, the only notable motor manufacturing experience has been contained in hody-building organisations such as Alexanders in Falkirk.

Production

The signs of inexperience still show. Success in the Scottish industry hangs in the balance once again, with both of the two relevant companies being helped, by Government finance. Production has not been as satisfactory as it should have been. Additional money is being injected into the factories to an effort to raise output and set them on a stable and profitable future.

At Linwood, in particular, the problems are proving particularly intractable. This factory, set down on the outskirts of Glasgow, and drawing mainly on re-deployed dock labour, got off to an unhappy start in the early 1960s with the launch of the Imp. The Imp was to have been seriously exacerbated by been Rootes' answer to the BMC Mini, but the car never quite managed to achieve the market it deserved. In the early years, was ended after the inter-

Government mediation service, but output is still significantly below what Chrysler would like. As currently established, Linwood is capable of producing about 180,000 cars a year at the rate of 2,800 a week. But output is now running at only about half that amount. According to Chrysler's personnel director, Tom Darby, Linwood is suffering from "deliberate breaches of procedure, restrictive practices, widespread absenteeism and lateness, unofficial stoppages and lack of flexibility".

Bathgate has also had its labour problems this year, notably a white-collar dispute which affected the flow of paper work so much that dealer stocks were seriously hit. This difficulty is now over, and the plant is set, barring further troubles, to improve output significantly over last year. In 1976, it made 33,000 vehicles, including agricultural tractors. This year it should make 38,000 (about 20,000 tractors); and next year it is planning an output of 44,000 units.

This expansion of Bathgate will not produce an entirely net gain to British Leyland, because it is being achieved alongside the gradual run-down of the Albion plant in Glasgow for assembly purposes. Albion will eventually be turned over entirely to the manufacture of major components such as axles, its cramped assembly lines being removed to release space for expansion. At the same time Bathgate's assembly lines will be extended.

The eventual idea is to create, in Scotland, a relatively integrated organisation for the manufacture of light and medium-weight trucks. Leyland has already gone some way towards this ideal. The Albion range of vehicles, for instance, use a Bathgate-made cab at present, and the two ranges share a number of other common components. But eventually, Albion will emerge as a component "feeder" plant to the assembly lines at Bathgate which will produce just one range of trucks.

These vehicles will also be rationalised and modernised to give Leyland a less fragmented range, and one which is cheaper to produce. Some £31m. has already been committed to this task, and the company is well on the way to laying down 317,000 extra square footage in Bathgate. At the same time, more men are being hired. Leyland's employment in Scotland now stands at 9,100, and should have risen to 10,000 by the end of next year.

Weight The reorganisation of these two factories is going ahead hand in hand with the large-scale reconstruction of Leyland's truck and bus interests. The intention of this is to concentrate heavy vehicle output in Leyland, Lancashire, and the light to medium weight trucks in Scotland.

It is not clear as yet precisely what weight ranges Leyland is intending to concentrate in Scotland. The present vehicles, starting at 3.5 tonnes, extend right up the range to 28 tonnes for some time. Even before North Sea oil, British Aluminium had its smelter at Invergoron on Cromarty Firth. On the whole, the local people have accepted this industrialisation with equanimity.

Partly, this is because of the scale of the area. There is a vast amount of environment in the Highlands and whatever man puts up seems almost insignificant in relation to the scale of nature. From a relatively short distance away smoking towers and towering cranes look almost insignificant.

The most northernmost parts of Britain have some of the highest unemployment figures. The geography of the region explains why. Small, isolated communities do not lend themselves to the economies of large-scale business and many workers have to travel long distances to find employment.

At Kishorn, for instance, where there is a large operation building platforms for North Sea oil exploration, many of the workers live on site during the week, only returning home at week-ends.

Officials of the Highland Regional Council in Inverness, the local authority for what used to be the counties of Caithness, Sutherland, Ross and Cromarty, Inverness and Nairn, had hoped that mineral working might be the answer to some of their problems. Riofinex had put a lot of effort into prospecting between 1969 and 1972. It discovered what had been believed—that there were deposits of copper, lead, nickel and uranium—but that these were not present in sufficient quantities to make mining them economically feasible.

Exploration This exploration work had been done in the days before local government reform had brought the large regional council into being. Riofinex had then undertaken its work largely on its own initiative. At the same time, it had been exploring at Coed y Brenin in Snowdonia, when it was bitterly attacked by the conservationists.

The Snowdonia operation had a traumatic effect on both Riofinex and its parent, Rio Tinto-Zinc. The bitter attack launched on the company left scars which show even to this day. The company is hesitant about undertaking work, especially in areas of great natural beauty, which do not have the support of the local population.

What persuaded Riofinex to have another look at its earlier studies was the fact that it had been directly invited to come back by the Highland Regional Council. It found the local authority on its side, which clearly lessened the possibility of direct criticism.

However, there were other factors operating in its favour. Large scale operations have been accepted in the Highlands

at the top, and it may be that Leyland will want to bring these top weights into the responsibility of the heavy truck group rather than the Scottish interests, using the 16 tonne step-off point for the plant which is normal in the industry. At the same time, there has been some argument about where production responsibility for the successor to the light-weight Sherpa van should lie: it is at present made by the car division, but some executives feel that it should be made on Volvo chassis, using the gearboxes. The concept, however, is to take advantage of supply shortages in the home market by producing major components from Sweden and adding locally made super structures. It has succeeded sufficiently well to encourage the company to diversify into specialist sectors of truck manufacturing.

The other new company is Stonehead concern which has been set up to make rugged Land Rover type cross-country vehicles. Stonehead, which has been set up to make rugged Land Rover type cross-country vehicles, has been set up to make rugged Land Rover type cross-country vehicles.

Whatever the final decision on these matters, the Scottish group is now well on the way to independence. It has its own general manager, in Mr. Harold Musgrove, and its own locally based service operation for marketing, engineering and manufacturing based in Edinburgh. In effect, it is becoming a self-supporting business, which will be expected to design and produce its own vehicles with little interference from Leyland.

Mr. Musgrove pointed out recently that Scotland already produces 18 per cent of all trucks made in Britain and 20 per cent of the vehicles of under 16 tonnes. But if all goes well it should be a significantly higher proportion in a few years' time.

The biggest single weakness for Bathgate and the rest of the Scottish industry remains its remoteness from the component producing areas of the Midlands. In the early days of the industry this was a more acute problem because of the

ing the revenue

Metals efforts prove disappointing

When Rio Tinto Finance and Exploration decided there was no point in continuing to evaluate its studies of mining potential in the Highlands, the decision was a nasty blow to all those who had hoped that something might come from a rethink on the subject. For Riofinex had been invited back into the area by the Highland Regional Council which hoped that, if economically workable mineral deposits could be found, this working would go a considerable way towards helping the difficult employment situation.

Partly, too, Riofinex were aided by the fact that the environmental lobby is not nearly so vociferous in this part of Scotland. The Highlands are a long way from homes of potential objectors—unlike Snowdonia, where an effective lobby could be mounted within an hour or two. Snowdonia also had a vocal Welsh-speaking minority which, at that time, was anxious to take on almost anything that involved the English. The Post Office, the BBC and second-home owners had all felt the lash and RTZ was just another to come up against the antagonism of the Welsh Nationalists.

Riofinex directed its studies in the Highlands at 23 areas, largely concerned with copper, lead and zinc. For geological reasons, exploration of uranium was restricted to parts of Caithness. It took over 5,000 samples and analysed them for a range of metals. In addition, 41 boreholes were sunk. The results discouraged further activity.

Evidence of uranium was certainly found but it was concentrated in narrow geological bands and the amount available was not considered sufficient to set up some form of processing facility. The amount was probably no more than half that discovered in Sweden, where a decision was also taken not to undertake any further work.

The Highlands are not the only part of Scotland where Riofinex has been active, nor has it been the only company prospecting. It has been investigating in the Grampian region, though not on the same scale, with Consolidated Gold Fields. There is evidence of mineral deposits in that part of the world, too, but in terms of 20th century working it is scanty.

Riofinex will not be drawn on what it has discovered from working around Aberdeen. This is partly because it is one of industry's naturally secretive companies; but it is also conscious that any announcement has to be made in conjunction with its partner. However, it is extremely unlikely that the companies will develop anything for the same reasons as in the Highlands—the economies of marketing would not allow it.

Other concerns which have been prospecting include American Metals and the South of Scotland Electricity Board. Amax was working in the north-east and has now withdrawn. The electricity board has done a lot more work, including some

ing permission. Since then, has said it does not intend to appeal against the decision, for the time being, the matter is dormant.

There has also been some opposition particularly among the farming communities. It was wanted to follow up initial prospecting by RTZ in Orkney to test and sink bore holes to see whether uranium deposits were viable when the Orkney Island Council refused its plan-

ing the revenue

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Rig maintenance North Sea rigs are in constant need of repair and maintenance and Dundee emerges as an ideal base for such operations. Dundee's East coast port enjoys sheltered deep-water berths and has serviced barges up to 50,000 tonnes. The airport is eminently suitable for oil charter work and Dundee's 17,000 engineering workers ensure a comprehensive skilled back-up for the repair and maintenance industry.

Petrochemicals Dundee is only 35 miles away from what could be one of Britain's largest suppliers of ethylene feedstock—the proposed Shell/Esso plant at Mossburn. In addition the planned £300m. extension by I.C.I. at Grangemouth—50 miles away—ensures a reliable local supply of feedstock.

Such feedstock is widely used in Dundee by local man-made textiles, plastics and rubber firms. Added to the attraction of local know-how is an abundant experienced labour force. Incoming industries have the choice of an immediately available advance factory or a location on a serviced industrial site.

Electronics Within a 50-mile radius of Dundee companies such as Marconi, Ferranti, G.E.C. and N.C.R. in the city itself, as well as smaller firms, employ more than 20,000 people and produce everything from resistors to integrated defence systems.

Dundee is one of Scotland's leading technology centres with a University, colleges of further education and specialist skill centres. Ancillary back-up to the industry is developed while skilled and female labour is plentiful.

INPUT-OUTPUT TABLES FOR SCOTLAND

The results of the joint research project, recently completed by the Scottish Council Research Institute, The Centre for Advanced Studies, and the IBM United Kingdom Scientific Computer Centre, are available in the form of a booklet and will be published in book form. Books: Copies (price £4.50) may be ordered from the publishers, Scottish Academic Press Limited, 47-49 George Street, Edinburgh EH2 5JX. Copies (price £2.00) may be obtained from The Scottish Council Research Institute, 1 Castle Street, Edinburgh EH2 3AJ.

مركز الأصيل

THE BANNED DISSIDENTS IN SOUTH AFRICA

BY QUENTIN PEEL, JOHANNESBURG CORRESPONDENT

Condemned to silence

POST Office in Brandafton entirely unremarkable... Mrs. Winnie Mandela (left) has been banned to Brandafton Bantu Location by Mr. Jimmy Kruger (right), South Africa's Minister of Justice.



Mrs. Winnie Mandela (left) has been banned to Brandafton Bantu Location by Mr. Jimmy Kruger (right), South Africa's Minister of Justice.

restrictions are still more drastic. Until a court case earlier this year, a banning order was generally interpreted to mean that a banned person could only meet one person at a time.

J. Kruger

Mrs. Mandela has been placed under the most restrictive order only in force in South Africa. She is banned from any political, social or religious gathering, or indeed gathering at all.

Security Act, a replacement and extension of the long-running Suppression of Communism Act first passed in 1950. The Minister apparently decided that all Communists are subverters, but not all subverters are Communists.

After death

The most immediate public effect of a banning order is the silencing of the individual, and thus their effective obliteration from public consciousness.

Depression

Of the 161 people listed in the last official Government Gazette as subject to banning orders, many are now in detention, or else have fled the country, either unable or unwilling to face the limitations of the ban.

Letters to the Editor

pending the revenue... The British Transporters' Guild is only too well aware that much needs to be done to develop a viable and integrated transport policy.

Finalists, as Joan Claybrook, former Ralph Nader aide and now in the Department of Transportation, National Highway Traffic Safety Administration, said to me in London two weeks ago, and as your correspondent correctly reports, if the Japanese can succeed in producing a more compact, fuel-efficient, pollution-free, safe car, why cannot the Detroit four, or for that matter U.K. manufacturers, do the same?

Analysing industry

From Dr. Frank Heller. Sir, Your correspondent's review (November 22) of the efforts to establish a policy research capability in Britain failed to justify or explain why this initiative is constantly referred to by the name 'Economic Studies'.

When Professor Dabrendorf started the British debate, he saw the function of the new body as initiating a rigorous analysis of the British malaise. Being a distinguished sociologist himself, it is unlikely that he would have chosen to confine the relevant disciplines as narrowly as the American Brookings.

My own 25 years' experience as an analyst of British industry and consultancy to two South American countries certainly suggests that a top level policy think tank could help business and government make better decisions, but to the British context it is essential that a variety of social science disciplines, including economics, are included. There is plenty of evidence here to show that economists on their own, even the most eminent, have not solved the British malaise.

Investment in forestry

From the Chief Executive, Economic Forestry Group. Sir, - Having raised the subject of forestry some weeks ago, I would quickly like to dispel any misunderstandings which could arise as a result of my letter from Mr. Richard Neale regarding U.K. self-sufficiency in timber and wood products (November 22) when he commented on figures used by my colleague, Mr. Cooper (November 18).

increase of 8 per cent. per annum in production levels of wood from U.K. forests will dramatically influence the 92 per cent. wood imported to meet our current needs in this sphere.

Home-grown timber supplies, however, currently represent a saving of £250m. per annum. As forests mature, the import saving potential will certainly become even more significant, but it will not come anywhere near achieving self-sufficiency. Even in the EEC, where 50 per cent. of the demand for timber and wood products is met by imports, self-sufficiency is not a practical proposition.

This is not to deny that future projections relating to production levels and market potential are an essential element in presenting the case for increased investment in forestry. The Scottish National Party in a forestry policy statement issued on November 21 and reported briefly in your columns of the same date would seek to double Scotland's national forest area to 2.4m. hectares producing 24m. cubic metres when in full production in the next century with a stated value at current prices of £330m. per annum which if processed in the U.K. by added value will increase to £1.6bn. per annum.

Creditors and debtors

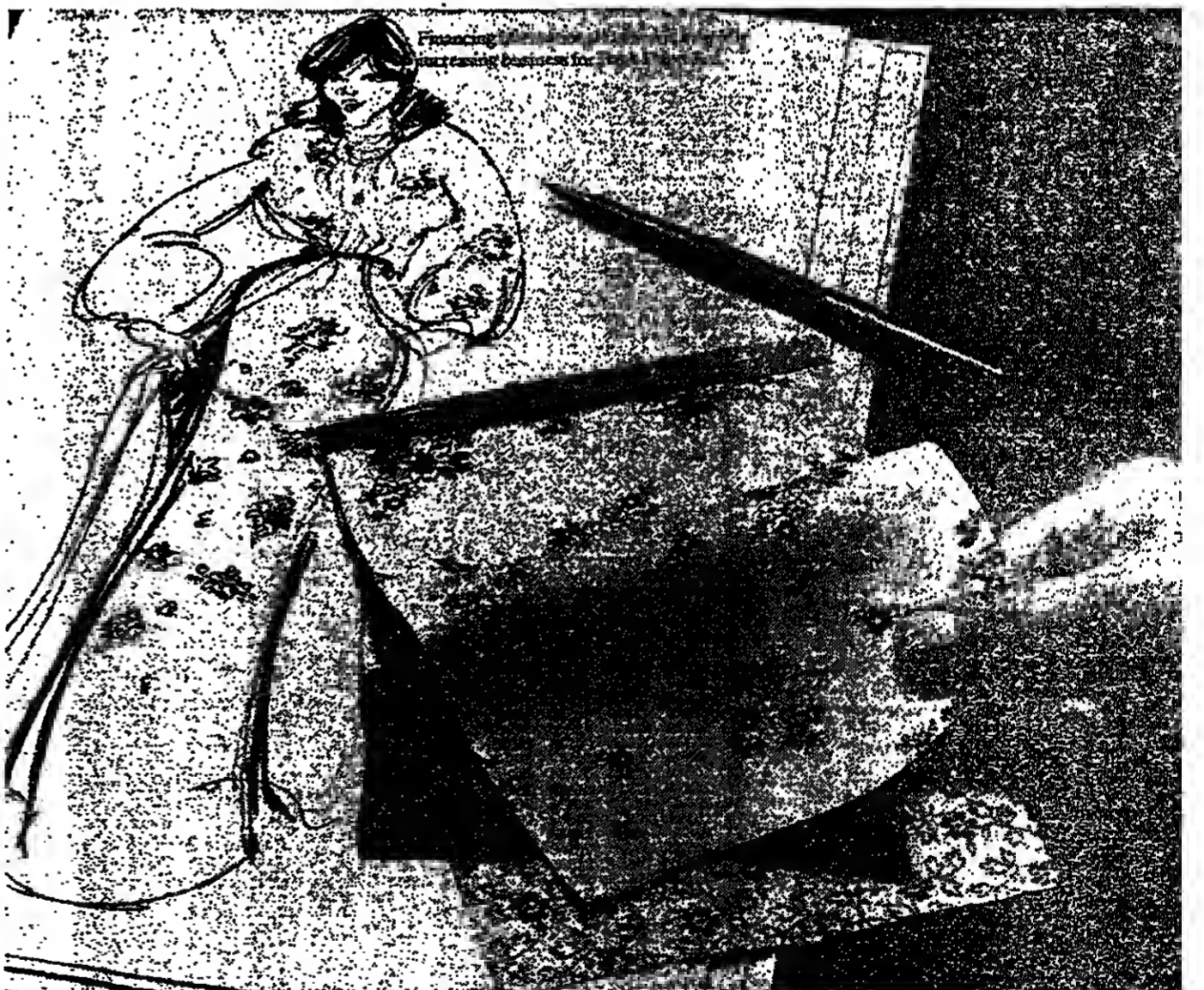
From Mr. D. Jerome. Sir, - With reference to Mr. M. Seilly's letter (November 22) regarding the high cost to creditors of mistakes made by the County Courts in the handling of debt recovery actions, I would confirm that we also have experienced many cases where the County Court bailiffs have apparently failed to take effective steps to serve summonses or execute warrants of execution and in many cases the returns are incorrect. This we feel is partly due to the substantial increase in the number of actions which now have to be issued in the County Court.

It would appear to us that it is the intention of the Lord Chancellor's office to relieve the High Court of most, if not all, cases dealing with debt collection. The present position is that the County Court has the exclusive jurisdiction in relation to debts of £350 or less as creditors can only recover costs against the debtors for debts of this amount if proceedings are issued in the County Court.

Prior to April of this year, the amount of the debt in the High Court upon which costs could be recovered, was £150 and over and the increase to £350 has substantially increased the number of County Court summonses (the increase in respect of our collection actions is 28.48 per cent.). The result is that some current needs in this sphere.

To-day's Events

- GENERAL Mr. Denis Healey, Chancellor of the Exchequer, begins two-day visit to Bonn, during which he will have talks with Federal Government and also address German Chamber of Commerce. International Monetary Fund team begins second week of talks with Treasury on prospects for U.K. economy. Fire Brigades' Union executive reviews strike situation. Mr. Li Ching, Chinese Foreign Trade Minister, arrives in London for official visit. EEC Development Ministers meet, Brussels. EEC Agriculture Ministers end five-day talks in French West Indies. Mr. Anthony Wedgwood Benn, Energy Secretary, will be chairman at first meeting of Energy Commission. Mr. Eric Varley, Industry Secretary, speaks at British Institute of Management conference, London Hilton, W.I. CBI Employment Policy Committee meets. Sir Richard Marsh, chairman, Newspaper Publishers' Association, opens U.S. Government sponsored exhibition of Printing and Graphic Arts Equipment, U.S. Trade Center, 4-5, Langham Place, London, W.1 (until December 1). De-briefing of London Chamber of Commerce trade mission to Venezuela, 80, Cannon Street, London, E.C.4, 11.20 a.m. PARLIAMENTARY BUSINESS House of Commons: Private members' motions. Motion on EEC documents on fisheries. Motion on code of practice on time off for trade union activities. COMPANY MEETINGS Sep. Week's Financial Diary on Page 32. BALLET Royal Ballet dance Swan Lake, Covent Garden, London, W.C.2, 7.30 p.m. MUSIC Park Lane Music Players, conductor Rudolf Schwarz, in programme of Haydn and Corelli, 5, Mozart's Violin Concerto No. 5, G. soloist Ida Haendel, Queen Elizabeth Hall, S.E.1, 7.45 p.m. Clifford Burton gives piano recital of works by Brahms, Beethoven and Schubert, Royal Festival Hall, S.E.1, 8 p.m. SPORT Soccer: England v. Norway youth international, Fulham Football Club, London, S.W.6, 1.30 p.m.). Squash: Pakistan International Airways World Series Wembley.



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DRAWING OF BONDS

The undermentioned Bonds of the above Loan amounting to US \$ 4,478,000 were Drawn by Lot on the 10th November 1977 by Mr. Richard Graham Rosser of the firm of De Pinna, Scorers & John Venn, Public Notaries of 101 Salisbury House, London EC2M 5UP.

The said Bonds are due to be repaid at their nominal value on or after 21st December, 1977 at the Paying Agents listed on the Bonds. Interest will cease to accrue from the 21st December, 1977. Bonds must have Coupon 12 attached when presented for payment, failing which the amount of the missing unmaturing coupon will be deducted from the sum due for payment.

The face amount of the Bonds outstanding after the above mentioned Drawing will be US \$ 5,000,000.

Bonds of US \$ 1,000 each.

48	58	68	78	88	98	108	118	128	138	148	158	168	178	188	198	208	218	228	238	248	258	268	278	288	298	308	318	328	338	348	358	368	378	388	398	408	418	428	438	448	458	468	478	488	498	508	518	528	538	548	558	568	578	588	598	608	618	628	638	648	658	668	678	688	698	708	718	728	738	748	758	768	778	788	798	808	818	828	838	848	858	868	878	888	898	908	918	928	938	948	958	968	978	988	998																																																																																															
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APPOINTMENTS

Group executives join Board of Boulton & Paul

Mr. D. G. Berwick, Mr. A. R. L. Andrew, Mr. Michael Carr and Mr. D. V. Crome, senior executives of Boulton & Paul, have been appointed to the main Board at the bank's London office.

Mr. Roy Hodgson has joined the Board of the BRITISH PRINTING CORPORATION as a personal director. He has been in charge of the group since June 1977 and will continue to be chairman and chief executive of Sun Printers, Watford, will take over additional responsibility as chairman of the Commercial Printing Group following a restructuring division inside the Board of BPC. Mr. Bradley remains executive chairman of Sun Printers and will continue to be based there. Mr. Bob Phillips has been appointed managing director of Sun Printers. He will be in charge of the Commercial Printing Group leaving the corporation.

Mr. R. H. MacWilliam has been elected chairman and from the Board of Union Holdings and Union Corporation (UHC). He remains a director of UHC CORPORATION, the parent company.

Mr. David C. St. Clair, MBE, has been appointed chairman of the Board of FENCHURCH NORTH WESTERN INSURANCE BROKERS, a member of the Guinness Peer Group.

Mr. D. Griffiths will be retiring from full partnership with E. B. SAVORY MILAN and CO. stock brokers, on December 31 but will continue to be a director of the firm. Mr. J. G. Millin will succeed him as senior partner.

The FIRST NATIONAL BANK OF BOSTON has appointed Peter W. Gerrard and Mrs. Susan S. Wellington, two London-based executives, as assistant vice-presidents.

Mr. Keith Holden has been appointed director of operations at the Loudwater, Bucks, main factory of ARCEL PLASTICS (INDUSTRIES) LTD. Mr. R. H. Keeling has been appointed general manager of ELECTRONICS (COMPONENTS) LTD. Mr. Ronald W. Smith, Mr. R. Lee and Mr. M. R. B. Smith, Mr. A. Lee and Mr. A. Lee have been appointed as directors of the as. divisional directors of URGENT GUARANTY TRUST SOUTH AND SCOTLAND DIVISION COMPANY OF NEW YORK, Mr. respectively.

HOME CONTRACTS

Sprinklers for Hoover

MATTHEW HALL MECHANICAL SERVICES' fire protection division has been awarded a contract worth more than £100,000 for the design, supply and installation of fire protection sprinkler systems at Hoover's factory in the town of Salford, with an order value of £100,000.

PLANT & MACHINERY SALES

Description	Price	Telephone
8 BLOCK (400 mm) IN LINE NONSLIP excellent condition. 0/2000/1/min. variable speed 10 hp per block (1968).	P.O.A.	0902 42541/2/3
24" DIAMETER HORIZONTAL BULL BLOCK by Farmer Norton (1972).	P.O.A.	0902 42541/2/3
ROTARY SWAGING MACHINE by Farmer Norton (1972).	P.O.A.	0902 42541/2/3
SLITTING LINE 500 mm x 3 mm 25 ch cutters.	P.O.A.	0902 42541/2/3
12" VARIABLE SPEED FOUR HIGH ROLLING MILLS E.C. 6.50" wide razor blade strip production.	P.O.A.	0902 42541/2/3
MODERN USED ROLLING MILLS, wire rod and tube drawing plant—roll forming machines—slitting—flattening and cut-to-length lines—cold saws.	P.O.A.	0902 42541/2/3
1974 FULL AUTOMATED COLD SAW by Noble & Lund, with batch control.	P.O.A.	0902 42541/2/3
1970 CUT-TO-LENGTH LINE max. capacity 1000 mm x 2 mm x 7 tonnes coil fully overhauled and in excellent condition.	P.O.A.	0902 42541/2/3
1970 FULL AUTOMATED GLAVITY WIRE DRAWING machine by Farmer Norton 27" x 27" diameter drawblocks.	P.O.A.	0902 42541/2/3
STRIP FLATTEN AND CUT-TO-LENGTH LINE by A.M. Max. capacity 750 mm x 3 mm.	P.O.A.	0902 42541/2/3
1970 FULL STAND WIRE FLATTENING AND STRIP ROLLING LINE, 8" x 70" x 60 hp per roll stand; variable line speed 0/7500/min.	P.O.A.	0902 42541/2/3
1.5 DIE MESH WIRE DRAWING MACHINES 5.000P/Min. with spoolers by Marshall Richards.	P.O.A.	0902 42541/2/3
50 L.R. MESH WIRE DRAWING BLOCK x 650 mm dia.	P.O.A.	0902 42541/2/3
9 ROLL FLATTENING MACHINE 1.700 mm wide.	P.O.A.	0902 42541/2/3
7 ROLL FLATTENING MACHINE 965 mm wide.	P.O.A.	0902 42541/2/3
COLES CAPACITY YARD-CRANE 4-ton capacity lattice jib.	P.O.A.	0902 42541/2/3
BRONX ROLL FRICTION BAR AND TUBESTRAIGHTENING MACHINE—variable speed—32 mm bar and 45 mm tube.	P.O.A.	0902 42541/2/3
RWF TWO STAND WIRE FLATTENING AND STRIP ROLLING LINE, 10" x 8" rolls x 75 HP per roll stand. Complete with edging rolls, curbs head, flaking and fixed reeler, air gauging, etc. Variable line speed 0/7500/min and 0/1190 f/min.	P.O.A.	0902 42541/2/3
240KVA EMERGENCY GENERATOR available immediately.	07222	060684 5007/89
100KVA GARDENER GENERATOR SET.	06818	060684 5007/89
135KVA MARINE GENERATING UNIT H.A.N.	06783	060684 5007/89
200KVA (Continous) ALLIS CHALMERS GENERATING SET	01199	060684 5007/89
USED 200 KVA M.A.N. DIESEL GENERATOR, 3,600 hours only. New 1973.	P.O.A.	(073-521) 3832
NEW 60 KVA FORD DIESEL GENERATOR COMPLETE, ready for operational use. 415/3/50/1500-RPM.	04195	(073-521) 3033
NEW 37.5 KVA FORD DIESEL GENERATOR COMPLETE, ready for operational use. 415/3/50/1500-RPM.	04397	(073-521) 3033

هكذا من العمل

BORDEAUX AT THE CROSSROADS

BY DAVID CURRY

The king and the plonk

THE DINNERS of the *Journées Gourmandes* which mark the end of the Bordeaux grape harvest comprise eight courses and as many wines. From the aperitif of Sauternes to the Chateau Blanc 1966 with the cheese the ritual is a homage to the Bordeaux grape.

It is a homage addressed in the main to Bordeaux red—the traditional claret—which, in spite of the traumas of speculation and scandal, still remains the king of wines. However, these traumas have brought dramatic change to Bordeaux, notably an attempt to impose orderly marketing and controlled prices on a system which has always been both speculative and anarchical.

The system rests on two pillars. The first is the fixing of upper and lower prices for each of the five big appellations of Bordeaux wine—three red and two white. Only the top 5-10 per cent of crus classes and *grands châteaux* are exempted from this price bracket.

The second pillar is the constitution of an intervention or buffer stock of wine which will be used to regulate the quantities of wine on the market so as to prevent prices going through the roof in times of poor harvests and through the floor when there is abundance. The implementation of this scheme rests with the governing body of the growers, the *Conseil interprofessionnel du vin de Bordeaux* (CIVB), which was given statutory powers to organise the industry in 1975 in the wake of the speculation and scandal of the early 1970s.

The meagre 1977 harvest (around 2m. hectolitres compared with an average of 3.3m.) following spring frosts has meant that there is insufficient wine to build up the buffer stock which will have to wait for a better harvest. However, CIVB officials think that it is probably a blessing in disguise to be obliged to introduce the system gradually, even the long tradition of belligerent individualism among many producers.

These measures form the Bordeaux Contract. M. Jean-Paul Jaffret, former CIVB president (and probably the next one as well), and the author of the contract admits: "The traumas of the black years of 1973-75 caught us napping in our ivory tower. We had to adjust to the new realities of a different clientele, the competition from new vineyards, the claims of new distribution channels, and the very problems caused by the enormous diversity of Bordeaux wine."

Some details remain to be settled, notably the Government's contribution to the financing of intervention stocks. When the harvest is in surplus the CIVB will hold a tender to take wine into intervention. The stocks would be kept at the producer's, but he would be able to borrow from the national farming bank, the *Credit agricole*, against his stocks, and the CIVB would meet the charges on the borrowing. In return, the producer will have to release his wine on to the market on CIVB instructions. A Frs.20m. (£2.3m.) war chest is required for an intervention stock initially put at around 300,000 hectolitres. A fifth of it should come from a sales tax.

There is a subsidiary mechanism to the intervention stock which will apply if the amount needed to be taken off the market is beyond CIVB's financing capabilities. In that case the wine remaining after the intervention stock has been constituted would be blocked compulsorily at the producers' at his own expense. It will be released the following year and, if necessary, replaced by putting an equivalent volume of new wine into reserve.

With the formation of these stocks impossible this year because of the poor yields, the burden of market organisation has fallen on price controls. In May the CIVB general assembly conceded an average 20 per cent increase and earlier this month it agreed to a further 10 per cent rise, the minimum acceptable to growers. The price bracket for appellation Bordeaux thus moves to Frs.3,200-3,800 a barrel.

Price tensions should be cushioned by the existence of some 4m. hectolitres of stocks on farms and at dealers, of which around half will be available for marketing in 1978 while around 80 per cent of this year's harvest will be sold in the course of next year.

The hope is to put a bottle of reliable appellation Bordeaux within the customer's reach at around Frs.8.50 a bottle. While the CIVB believes it is about on target, a number of retailing chains think that the CIVB is too optimistic and that severe price rises could well become inevitable.

The first stage of quality control is that carried out by the Institut national des appellations d'origine to permit the wine to carry the appellation *contrôle* designation. Bordeaux claims that these tests, based on composition and taste, are more rigorous than in other areas.

On top of this the CIVB imposes its own tests. Wine for export is subject to spot checks and at the second infringement of quality norms the export certificate can be withdrawn.

While red wine has attracted international attention, some 40 per cent of Bordeaux production is white, and it is the problem of this white which is beginning to preoccupy the CIVB. M. Paul Glotin, president of the CIVB, points out that there are three distinct problems. The first is the decline of consumption of sweet wines and the high production cost in relation to their low yield. This afflicts the Sauternes family above all. The second difficulty is the failure of the drier wines like *Entre deux mers* to establish a positive image. The third problem is what to do with a great deal of undistinguished white.

White wine

Ten years ago the region produced 1.5m. hectolitres of white and 500,000 of red. While the proportion has been reversed there are still many growers depending on white alone.

The problem with Sauternes is that its fame is greater than its popularity. Sauternes and related sweet wines like Barsac have a dowager duchess and pearls image that is too elderly. Within Bordeaux itself

younger households serve Sauternes as an aperitif to guests. In France as a whole, and overseas, sales are retreating before the growing preference for drier wines.

On top of this is the difficulty of higher costs imposed by weak yields. In a good year a yield of 25 hectolitres to the hectare can be hoped for which is half the yield for red wine; this year Sauternes is yielding no more than 10 hectolitres to the hectare. Producers complain that a price of Frs.10,000 for a 900 litres barrel does not cover their costs, which from the point of view of the consumer means that the bottle of Sauternes is beginning its career in the distribution network at at least Frs.10 (£1.15).

In some ways the twin crises of speculation and fraud which afflicted Bordeaux in the early 1970s marked the end of the old regime in the most prestigious vineyards in the world. The majestic rhythm of Bordeaux, the social elite of the dealers, the famous châteaux, whose cellars line the Gironde and whose elegant 18th-century houses are the glory of the beautiful city, the entrenched Protestant hierarchy: all are features of traditional Bordeaux. Now something is being grafted on to them — a new sort of manager thinking of a bottle in terms of cash-flow rather than a work of art, the chemists making possible accelerated vinification, the buyers from the supermarket chains.

The Bordeaux Contract is intended to bring to terms these two elements: the exigencies of modern marketing and the love of a traditional product which has stamped a culture.

Financial Times Monday November 28 1977

BLACK DIAMONDS PENSIONS LIMITED

(A company wholly owned by the National Coal Board Pension Funds)

Offer for the Ordinary Shares of

THE BRITISH INVESTMENT TRUST LIMITED

The Offer has been extended until 3 p.m. on Monday, 12th December, 1977.

The guaranteed minimum cash price per Ordinary Share of The British Investment Trust Limited is 165p

The middle-market price of the Ordinary Shares of The British Investment Trust Limited on 23rd November, 1977* was 145p xd

The Board of Black Diamonds Pensions Limited and its financial advisers, S. G. Warburg & Co. Ltd., are firmly of the opinion that the Offer is generous and attractive and Ordinary Shareholders are strongly urged to accept.

Ordinary Shareholders of The British Investment Trust Limited who are undecided as to whether to accept the Offer or sell in the market are advised to consult their bank managers, stockbrokers or other professional advisers.

*The day before the announcement of the guaranteed minimum cash price in the Press.

This statement has been issued by S. G. Warburg & Co. Ltd. on behalf of Black Diamonds Pensions Limited. The Board of Black Diamonds Pensions Limited has taken all reasonable care to ensure that the facts stated and opinions expressed herein are fair and accurate and all the Directors jointly and severally accept responsibility accordingly.

POINTMENTS Group ex... oin Board... Boulton &...

WE CONTRACTS sprinklers for

This announcement appears as a matter of record only

\$150,000,000

Michelin Investment Holding Company Ltd

Standby Medium Term Credit Facility

Irrevocably and unconditionally guaranteed by

Compagnie Financière Michelin

Managed by **Lazard Frères et Cie** Credit Suisse

Co-Managed by **Algemene Bank Nederland N.V.** **Compagnie Financière de la Deutsche Bank AG** **International Westminster Bank Limited**

and provided by **Credit Suisse** **Algemene Bank Nederland N.V.** **Compagnie Financière de la Deutsche Bank AG** **National Westminster Bank Group**

Banque Bruxelles Lambert S.A. **Barclays Bank International Limited** **Bayerische Vereinsbank International S.A.**

Amsterdam-Rotterdam Bank N.V. **DG BANK Deutsche Genossenschaftsbank** **London Multinational Bank Limited** **Midland Bank Limited** **Sal. Oppenheim Jr. & Cie** **Société Générale de Banque S.A.** **Standard Chartered Bank Limited**

Agent **Credit Suisse London Branch** October 1977

COMPANY NOTICES

NOTICE OF RATE OF INTEREST

U.S. \$75,000,000 Guaranteed Floating Rate Notes 1983

Lloyds Eurofinance N.V.

(Incorporated with limited liability in the Netherlands)

Guaranteed on a subordinated basis as to payment of principal and interest by



Lloyds Bank Limited

(Incorporated with limited liability in England)

in accordance with the provisions of the Agent Bank Agreement between Lloyds Eurofinance N.V., Lloyds Bank Limited, and Bank, N.A. dated May 26th, 1976, notice is hereby given that the rate of interest has been fixed at 7 3/4% p.a. and that the interest shall on the relevant Interest Payment Date, May 30th, 1978 (last Coupon No. 4 will be U.S.\$38.76 and has been computed on actual number of days elapsed (183) divided by 360.

November 28th, 1977

CITIBANK

Citibank, N.A., London, Agent Bank

THE COLNE VALLEY WATER COMPANY

NOTICE IS HEREBY GIVEN that the Transfer Books of all the Debenture Stocks of the Company will be closed on the 28th December 1977 for one day only on account of all such stocks after that date the preparation of the Warrants for interest will be suspended. The transfer books will be re-opened on the 29th December 1977. The preparation of the Warrants for interest will be suspended on the 29th January, 1978.

W. A. COGROVE Secretary

MALAYAN TIN DRESSING IMI

(Incorporated in Malaysia)

The Transfer Books will be CLOSED from 2.30 to 2.30 December, 1977, both days inclusive.

PLANT AND MACHINERY

GENERATORS

COMPLET SETS	100-500KVA Cummins Alternators-Standard	Price £
25	4,883	221 10 945
32	2,885	250 11 880
40	3,052	300 17 782
50	3,498	350 21 948
60	3,917	400 27 050
75	4,212	500 38 020
100	5,193	578 39 437
150	9,825	718 40 783
200	10,451	

JAMES McNEIL LIMITED
Tel. 690 2 22581. Telex 377454.

PERSONAL

ONE DAY'S Drive Pleasant Short available. Party of eight persons. Tel. Hockham 83721.

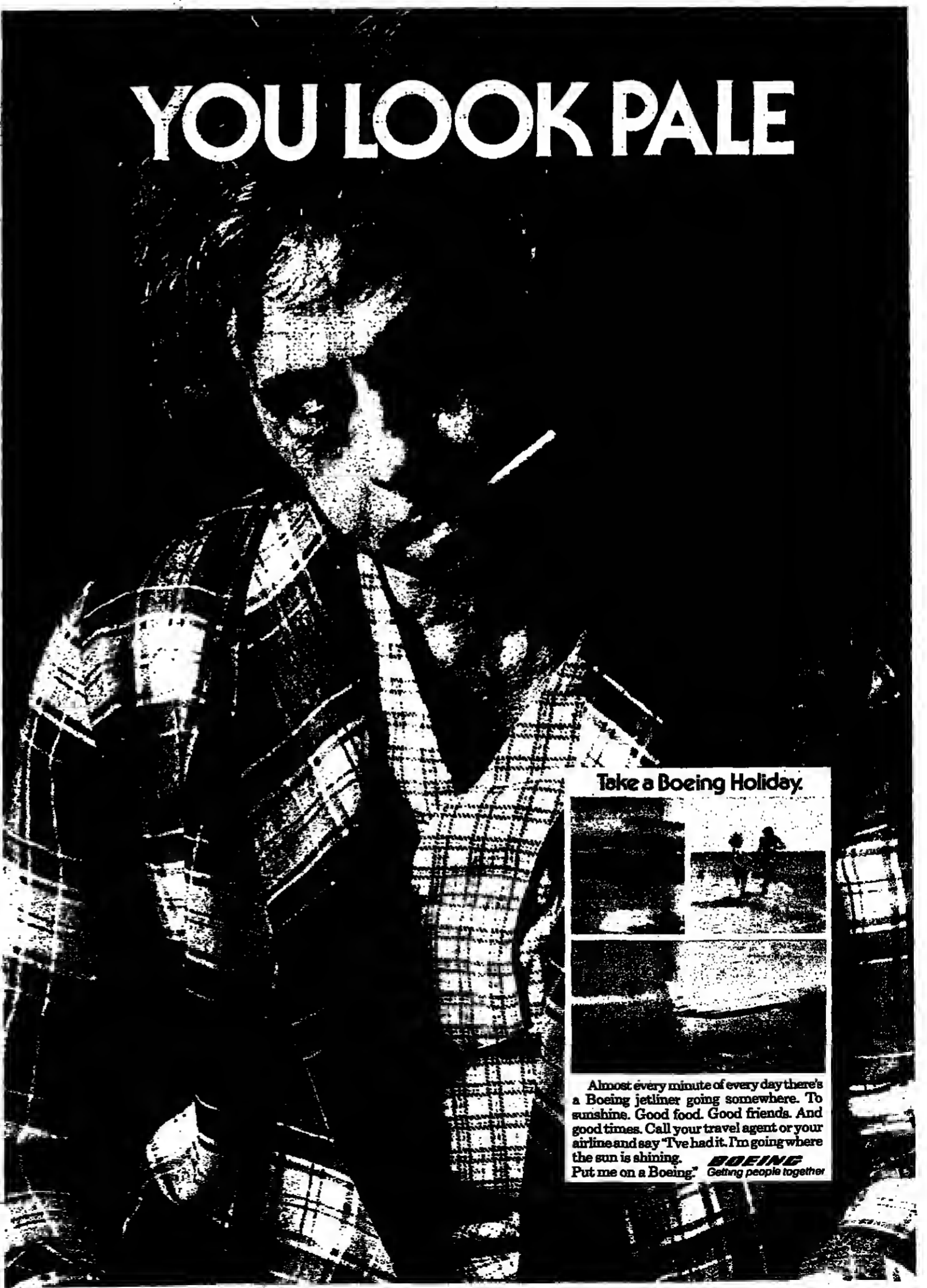
CLUBS

575, 189 Regent Street, 724 5537 A in Ladies or All-in-Mens. Free Spectacular Floor Show. 10.45, 12.45, 1.45 and music of Johnny Mathis, Elvis Presley & Frank Sinatra.


GARGOYLE, 99, Dean Street, London, W.1. THE CRIPPLES' CLUB, 10, GERRARD STREET, W. Show up, brighten up! 1 p.m. Address: Mrs. V. G. GARGOYLE, 99, Dean Street, W.1. Tel. 477 1041.

EXHIBITIONS

EXPLOSION, 25 years of Gold, Silver, Jewellery and a New Show all at Goldsmith's Hall, Foster Lane, E.C.2. Mon-Fri. 10.5-5.00. Sat. 12.00-5.00. Admission free.



Take a Boeing Holiday



Almost every minute of every day there's a Boeing jetliner going somewhere. To sunshine. Good food. Good friends. And good times. Call your travel agent or your airline and say 'I've had it. I'm going where the sun is shining.'

BOEING
Getting people together

UK/USA GULF WESTBOUND RATE AGREEMENT

F.M.C. AGREEMENT 8770

NOTICE TO SHIPPERS

CONTAINEE CHARGE

LCL AND BREAKBULK TERMINAL SERVICE CHARGE

The member lines of the U.K./U.S.A. Gulf Westbound Rate Agreement 8770 operating services from Great Britain, Northern Ireland and the Republic of Ireland, hereby advise that these charges will be increased to the following level effective by all vessels commencing to load at each individual port on and after 1st January 1978.

CONTAINER SERVICE CHARGE

House to house, home to user, containers Pds. 1.75 per 1,000 Kilos
Subject to maximum Pds. 27.00 per container

AND BREAKBULK TERMINAL SERVICE CHARGE

Port to ship, ship to house containers and breakbulk Pds. 2.00 per 1,000 Kilos
Minimum per shipment Pds. 2.00

Further details of the revised charges are available upon request from the member lines, their agents or those who underwrite the agreement.

U.K./U.S.A. GULF WESTBOUND RATE AGREEMENT

2nd FLOOR, CUNARD BUILDING,

LIVERPOOL, L3 1DS.

November, 1977.

COMPANY NEWS

S.W. Farmer placing at 104p

STRUCTURAL STEEL engineers S.W. Farmer, has completed arrangements for the placing of 782,908 Ordinary 23p shares at 104p. The placing has been handled by Samuel Montagu and Company while brokers are Fielding, Newson-Smith and Company.

The authorised share capital has been accordingly increased from £100 to £750,000 by way of a capitalisation of reserves. The placing is designed to provide the group with a share quote and the market capitalisation at the issue price is £2.43m.

After the placing the group will be left with authorised but unissued capital of £168,638. Mr. Sydney Farmer, chairman, said that the increased capital would provide greater opportunity and flexibility to arrange any future financing needs.

At November 4, the group had outstanding mortgage loans of £318,820 and contingent liabilities in respect of guarantees and indemnities amounting to £468,522 against bank balances of £1,188,619.

In the current year ending December 30 the group is forecasting pre-tax profits of not less than £550,000 compared with £701,000 last year. At the interim stage pre-tax profits stood at £300,000.

On the basis of these profits the group is to declare an interim dividend in respect of the year of 7.5p gross but had the company

HOGG ROBINSON
Hogg Robinson Group

BOARD MEETINGS

Company	Date	Time
Baker Perkins	Dec. 8	10.30
Bishops Stores	Dec. 14	11.00
Burroughs International	Dec. 14	11.00
English Card Clothing	Dec. 14	11.00
Graham Wood Steel	Dec. 14	11.00
Parsons (U.K.)	Dec. 14	11.00
Pittsburgh Steel	Dec. 14	11.00
Sunrise Clothing	Dec. 14	11.00
Treasure	Dec. 14	11.00
Waddington (John)	Dec. 14	11.00
Williams (John) at Curlew	Dec. 14	11.00

Charterhall Finance to maintain earnings

Members of Charterhall Finance Holdings were told by Mr. D. G. Williams, the chairman, at the AGM that the development of the Buchanan Field is proceeding as planned and the programme is geared to bring the field on to production by the end of the third quarter of 1979.

In the U.S. the natural gas ventures are progressing most satisfactorily, he said. All the wells in Programme III at Youngwood are commercially productive and have been connected to the pipeline. The first four of these were put on production on November 18. The future production from these wells has been sold to a major steel company in the Pittsburgh area.

An area has been acquired in a further venture at Clover Run, Pennsylvania. This prospect is similar to those in the two programmes in which Charterhall America Inc. already has participated and initially involves the drilling of eight wells.

On the Mt. Keith nickel venture in Western Australia, following the results of a magnetic induced polarisation survey, the manager of the project has formulated a test drilling programme to further evaluate the claims.

Although it is anticipated that the oil and gas ventures in the medium to long term will constitute the most substantial part of the group's fortunes, the financial activities for the present time will provide earnings for the group around their current level, Mr. Williams added.

A scheme of reorganisation of CCP North Sea Associates is being formulated and subject to all necessary approvals, including those of the CCP shareholders, the directors hope that this can be implemented to achieve the separation of the Charterhall Group's interests from those of the other shareholders of CCP within the next few months.

Walker Sons £0.58m. for 18 months

On turnover of £11.55m, Walker Sons and Co. (U.K.) made profits of £577,541 for the 18 months to March 31, 1977, before tax of £117,216. For the previous 12 months the figures were £497m, £102,347, and £31,139 respectively.

Earnings per £1 share are shown at 17.66p (22.5p). Once again there is no dividend. The last payment was for 1969-70.

The figures have been translated from Sri Lankan rupees at the rate ruling at March 31, 1977, namely 12,418 Rupees to the pound. On October 15, 1977, the Sri Lankan rupee was devalued to 29 rupees to the pound, the effect of which is that the shareholder's interest included in the accounts at £2,066m. would become 2,982,984.

The auditors are unable to satisfy themselves as to the value of the certain material assets and the accuracy of the tax provisions and they are unable to express an opinion on the accounts.

HOGG ROBINSON
Hogg Robinson Group

This announcement appears as a matter of record only.

\$84,406,973

Leveraged Lease Financing of the 165,000 dwt S. S. Atigun Pass

General Electric Credit Corporation
Owner Participant

Shipco 2295, Inc.
Demise Charterer
a subsidiary of
Keystone Shipping Co.

SPC Shipping Inc.
Time Charterer
a subsidiary of
The Standard Oil Company
(an Ohio corporation)

The undersigned acted as financial advisor to The Standard Oil Company and arranged for the placement of the owner participation.

MORGAN STANLEY & CO.
Incorporated

November 28, 1977

This announcement appears as a matter of record only.

\$59,085,000

United States Government Guaranteed Ship Financing Bonds

Shipco 2295 Issue

\$17,098,000
7% Sinking Fund Bonds
Due November 22, 1987

\$41,987,000
8% Sinking Fund Bonds
Due November 22, 2001

The Bonds were issued by

United States Trust Company of New York
not in its individual capacity but solely as owner trustee under the Owner Trust Agreement, dated October 6, 1977, for the benefit of General Electric Credit Corporation.

The undersigned arranged for the placement of the United States Government Guaranteed Ship Financing Bonds with institutional investors.

MORGAN STANLEY & CO.
Incorporated

November 28, 1977

APV to take 30% stake in Holvrieka

APV Holdings and Holvrieka Holding B.V., of Holland, are looking for a closer co-operation in the future, and to this end APV will take up a 30 per cent shareholding in the Dutch company.

APV will have access to the Holvrieka evaporator and therefore the APV sales network will become an additional outlet for the Holvrieka evaporator.

The arrangements between Holvrieka and DEC (Dairy Equipment Company of U.S.) will be strengthened by the marketing agreement which already exists between APV and DEC.

Holvrieka fabrication companies in Holland will be available for the placing of work by APV group companies.

FT Share Information

The following securities have been added to the Share Information Service appearing in the Financial Times:

Industrial and Commercial Finance Corp. (section: Loans - Financial): 5pc Deb. Stk. 90-82, 6pc Deb. Stk. 81-84, 7pc Deb. Stk. 80-82, 7pc Deb. Stk. 91-94, 8pc Deb. Stk. 91-94, Nigerian Electricity Supply Corp. (section: Overseas Traders), Philip A. Hunt Chemical Corp. (section: Overseas - New York).

Turnround by L & K Fertilisers

On sales up by £1.55m. to £9,777m. and Western Fertilisers (an unquoted company) achieved a turnround from a loss of £133,911 to net profits of £114,292 for the year to June 30.

THE BRITISH INVESTMENT TRUST LIMITED

See Page 29

LOCAL AUTHORITY BOND TABLE

Authority (telephone number in parentheses)	Annual Gross Interest	Minimum sum	Life of bond	Year
Basildon (0268 22881)	10 1/2	10,000	7-10	7-10
Knowsley (051 548 6535)	9 1/2	1,000	4-7	4-7
Redbridge (01-478 3020)	9 1/2	200	4-7	4-7
Sandwell (021 368 2326)	9	1,000	3	3
Sandwell (021 368 2326)	9 1/2	1,000	4-6	4-6
Thurrock (0475 5122)	9 1/2	500	4	4
Thurrock (0475 5122)	10	500	5-7	5-7

FINANCE FOR INDUSTRY TERM DEPOSITS

Deposits of £1,000-£25,000 accepted for fixed terms of 3-10 years. Interest paid gross, half-yearly. Rates for deposits received not later than 2.12.77.

Terms (years)	3	4	5	6	7	8	9	10
Interest %	8 1/2	9 1/2	10 1/2	10 1/2	10 1/2	10 1/2	10 1/2	11

Rates for larger amounts on request. Deposits to and further information from The Chief Cashier, Finance for Industry Limited, 91 Waterloo Road, London SE1 8XP 101-828 7822, Ext. 1771. Cheques payable to 'Bank of England a/c FFI'. FFI is the holding company for ICFC and FCI.

SIMCO MONEY FUNDS

(Saturn Investment Management Co. Ltd.)

Rates of deposits of £1,000 and upwards for w/e 27.11.77	
7-day Fund	5 1/2
Mon.	3.787
Tue.	3.709
Wed.	3.671
Thur.	3.683
Fri./Sun.	3.681
3-Month Fund	4.125
Wed.	4.125

S. Lyles Limited Carpet Yarn Spinners and Dyers

Summary of Results

	Year ended 30th June	
	1977	1976
	£	£
Turnover:		
Home	6,922,671	6,020,485
Export	3,276,811	1,721,020
	10,199,482	7,741,505
Profit before taxation	744,196	436,226
Profit after taxation	367,146	222,831
Dividends	182,259	145,276
Earnings per share	10.11p	6.14p
Dividends per share	4.4676p	4.0p

Copies of the Annual Report, containing the Chairman's Statement, may be obtained from:

The Secretary, S. Lyles Limited, Jilling Ing Mills, Earlsheaton, Dewsbury, Yorkshire WF12 8LX.

HOME NEWS

Packaging concerns raise sales 33%

BY MAX WILKINSON

PAPER AND board packaging companies increased sales by an average 33 per cent in the three years up to last January, according to an analysis published today.

The report, by ICC business ratios says that most of the growth was concentrated in last year and reflected higher prices rather than improved volume.

The report is based on an analysis of 60 companies in the industry. It shows growth rates differed widely with nine companies showing sales increasing at more than 20 per cent a year, while 14 companies grew at less than 10 per cent a year.

Total profits of the companies fell in the middle year of the study, followed by an increase of 24 per cent last year. But the number of loss-making companies increased steadily.

When the companies were analysed for return on capital it was found that in 1974, average return was nearly 18 per cent. This fell in 1975 to 14 per cent and then recovered last year to an average of 16 per cent.

Significantly, the number of companies with an average return on capital of more than 30 per cent, fell sharply while the number with a return of less than 10 per cent rose in the period.

The total number of people employed by the companies fell slightly, but average sales per employee increased by 42 per cent. Average pay went up by 49 per cent.

The report says that there was a wide difference in performance between companies. For example, one company used its assets more than three times as efficiently as another. One company's liquidity was nine times as high as that of others. And there was a wide variation in credit periods, pay and sales per employee.

Shipping rates 'will improve'

By Our Shipping Correspondent

WORLD SHIPPING freight rates will remain depressed for the next year, but should improve in 1979 and lead to a widespread improvement in trading conditions in 1980, according to the latest set of forecasts from Terminal Operators.

The report takes issue with recent projections from the Organisation for Economic Co-operation and Development which suggested that a severe oil tanker surplus until 1987 or even 1985 will continue to depress the shipping market.

Terminal Operators says that strong improvements in the dry cargo market will offset this overtonnage, although it accepts that this "guarded optimism" is dependent upon the reliability of world economic forecasts and on the degree to which shipbuilding activity is reduced.

One aspect introduced into the report's calculations is a full analysis of the effect of the fall in productivity of the world fleet because of the high incidence of slow steaming, especially by tankers.

A review of the shipping market to 1980; Terminal Operators, Rodwell House, Middlessex Street, Lambton E1 7JL.

Tough line urged on TV material from abroad

BY ARTHUR SANDLES

IN THE MIDST of independent broadcaster in peak times. The IBA Broadcasting Authority negotiates the companies to make greater use of independent production contractors over its own facilities and to cut IBA request for less imported material on U.K. screens. The authority is being urged to take a tougher line.

Mr. Peter Piquette, Safeguard Committee chairman and general secretary of Equity, the actor's lobby group, made the point that there was considerable concern among all those who contribute to broadcasting in this country. The IBA director general, Sir Brian Young, to press him to amount of foreign and material and old films on TV.

This follows rumours of a change in the present IBA "meeting" to "share" the foreign material and to "share" the programme but, in fact, alteration to the foreign quota foreign material tends to be contemplated.

NEWMAN-TONKS LIMITED

Activities include the manufacture of architectural and builders' hardware, Briton Door-Closing Devices, non-ferrous tube and extrusions, light engineering components and industrial and decorative transfers.

CONTINUED EXPANSION OVERSEAS

Extracts from the consolidated Statement of Mr. Michael E. Wright (Chairman):

I am pleased to be able to report an increase of approximately 70% in the pre-tax profit compared with 1976, with a figure for the year of £1,725,000. Sales for the year were £20 million compared with £18.3 million. The directors recommend a final payment of 2.83p per share, making a total of 3.63p per share for the year—the maximum permitted.

The general recession in the construction industry has obviously had an influence on the performance of the two principal divisions of the Group—hardware and engineering. Nevertheless they have both performed remarkably well against their sales budgets.

Our Australian and South African companies have put in creditable performances and have more than retained their share of a temporarily declining market. Since the year-end we have acquired Parow & Whittier Limited of Williamsport, Victoria, Australia, manufacturers of plumbing fittings.

We believe there is an increasing growth area for property protection equipment and we have recently launched a system which has been specifically designed for domestic and small commercial premises. In addition an agreement has been signed with an Italian group of companies to market their extensive range of security and control equipment in the United Kingdom.

We have recently concluded agreements with two companies in North America to distribute a selected range of our products, a significant breakthrough in this area for us.

The forecasts we have prepared for the current financial year are encouraging, and books for most of our companies at the moment are more buoyant than the corresponding period last year and I believe we shall reap the benefits of the considerable capital expenditure on plant and modernisation which we have incurred over the past year.

YORK TRAILER HOLDINGS LIMITED

(Incorporated in England under the Companies Act 1948)

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The Council of The Stock Exchange has admitted the above-mentioned Preference Shares to the Official List. Particulars of the rights attaching to them are available in the Extel Statistical Service and copies of the statistical card may be obtained during usual business hours on any weekday (Saturdays excepted) up to and including 6th January, 1978 from:

Phillips & Drew,
Lee House,
London Wall,
London EC2Y 5AF.

28th November, 1977.

مكاتبنا في دبي

Financial Times Monday November 28, 1977

Review of... pending dividends... netable... mergers...

Table with columns: Date, Dividend, Share Price, etc. Lists various companies and their financial data.

INTERNATIONAL COMPANY NEWS

Sharp gain at Commerzbank

By GUY HAWTHORN. FRANKFURT, Nov. 27. COMMERCZBANK, West Germany's third largest commercial bank...

E. African Airways debts of £67m.

By John Worral. NAIROBI, Nov. 27. A first meeting of creditors of the defunct East African Airways Corporation...

MINING NOTEBOOK

New tax deal is needed for mining investors

By LODESTAR. ONE OF THE fundamental reasons for the mining share markets is that one of more of its sectors is nearly always offering money-making opportunities...

Public Works Loan Board rates

Table showing Public Works Loan Board rates for various periods and types of loans.

CENT ISSUES

Table of cent issues for various companies.

EQUITIES

Table of equity market data.

FIXED INTEREST STOCKS

Table of fixed interest stocks.

"RIGHTS" OFFERS

Table of rights offers for various companies.

BASE LENDING RATES

Table of base lending rates for various banks and institutions.

Money and Exchanges

Bank of England Minimum Lending Rate 7 per cent. (since November 23, 1977). The money market was very nervous in London last week...

Royalty burden

Mr. Parkes could think of nothing more certain to reduce the flow of risk capital to the industry...

INSURANCE

Uncertainty about duties of highway authorities

BY OUR INSURANCE CORRESPONDENT. MANY OF the compensation claims which come before the courts are of interest to liability insurers generally...

FOREIGN EXCHANGES

Table of foreign exchange rates for various currencies.

GOLD MARKET

Table of gold market data.

WADES DEPARTMENTAL STORES LIMITED

Increased Turnover in Current Year

The 45th Annual General Meeting of Wades Departmental Stores Limited was held on 26th November in Sheffield...

EXCHANGE CROSS-RATES

Table of exchange cross-rates for various currencies.

FORWARD RATES

Table of forward rates for various currencies.

CURRENCY RATES

Table of currency rates for various currencies.

EURO-CURRENCY INTEREST RATES

Table of Euro-currency interest rates.

Standard Chartered Bank Limited

Standard Chartered Bank Limited advertisement for Floating Rate Capital Notes 1984.

FT GROCERY PRICES INDEX

Rate of rise increases

BY OUR CONSUMER AFFAIRS CORRESPONDENT

THE RATE of increase in the cost of the Financial Times grocery basket has accelerated again this month.

Table with 2 columns: November and October. Rows include Dairy produce, Sugar, tea, coffee, soft drinks, Bread, flour, cereals, Preserves and dry groceries, Sauces and pickles, Canned goods, Frozen foods, Meat, bacon, etc. (fresh), Fruit and vegetables, Non-foods, Total.

INDEX: 262.10

1971: Feb. 100; Mar. 101.09; April 102.73; May 105.75; June 108.00; July 107.24; Aug. 105.40; Sept. 105.26; Oct. 104.35; Nov. 105.48; Dec. 108.26.

1972: Jan. 109.18; Feb. 109.10; Mar. 109.24; April 108.04; May 109.36; June 115.97; July 111.97; Aug. 113.40; Sept. 112.14; Oct. 113.15; Nov. 114.8; Dec. 114.99; Nov. 25: 114.72; Dec. 2: 114.72; Dec. 9: 114.75; Dec. 16: 115.77.

1973: Jan. 117.56; Feb. 119.25; Mar. 120.53; April 123.80; May 125.57; June 128.81; July 127.64; Aug. 126.59; Sept. 129.39; Oct. 133.83; Nov. 135.83; Dec. 138.26.

1974: Jan. 141.41; Feb. 141.52; Mar. 142.66; April 8: 143.23; April 29: 142.64; May 145.17; June 147.97; July 146.22; Aug. 145.25; Sept. 147.6; Oct. 150.5; Nov. 156.39; Dec. 159.15.

1975: Jan. 162.84; Feb. 167.77; Mar. 173.50; April 178.49; May 183.41; June 193.82; July 188.45; Aug. 189.23; Sept. 186.64; Oct. 189.79; Nov. 194.78; Dec. 201.90.

1976: Jan. 208.33; Feb. 211.81; Mar. 216.60; April 222.43; May 226.78; June 222.82; July 216.71; Aug. 221.34; Sept. 230.34; Oct. 237.28; Nov. 241.53; Dec. 244.82.

1977: Jan. 251.03; Feb. 253.96; March 256.27; April 258.92; May 263.34; June 266.58; July 258.48; Aug. 256.46; Sept. 256.81; Oct. 257.98; Nov. 262.10.

The survey, which covers 11 shops in different parts of the country, was carried out on Tuesday and so does not reflect the extra 2p on bread announced last week.

The Financial Times Grocery Index is copyright and should not be reproduced or used in any way without consent.

Co-ops cuts coffee price

THE COOP has reduced the price of a four-ounce packet of instant coffee by up to 36p.

Co-op label instant coffee is Britain's third largest seller.

The organisation said yesterday that coffee supplies had improved recently.

Students reject anti-Jewish charge by MP

ALLEGATIONS by a Labour back bench MP of a sustained campaign of racial hatred against Jewish students at Britain's universities were rejected yesterday by a students' union.

Mr. Eric Moonman, MP for Basildon, claimed in the Commons that Jewish students in some universities faced violence, abuse and intimidation which showed "shades of Nazi Germany."

York University Students' Union said it was horrified and disgusted by the remarks, which "we reject totally."

WEEK'S FINANCIAL DIARY

The following is a record of the principal business and financial engagements during the week.

COMPANY MEETINGS - West Yorkshire 11.30; London 12.00; Edinburgh 10.00; Manchester 12.00; Belfast 12.00.

BOARD MEETINGS - British Airways 11.30; British Petroleum 12.00; British Overseas Airways 12.00.

THURSDAY, DECEMBER 1 - Board meetings: British Airways, British Petroleum, British Overseas Airways.

FRIDAY, DECEMBER 2 - Board meetings: British Airways, British Petroleum, British Overseas Airways.

SATURDAY, DECEMBER 3 - Board meetings: British Airways, British Petroleum, British Overseas Airways.

SUNDAY, DECEMBER 4 - Board meetings: British Airways, British Petroleum, British Overseas Airways.

MONDAY, DECEMBER 5 - Board meetings: British Airways, British Petroleum, British Overseas Airways.

TUESDAY, DECEMBER 6 - Board meetings: British Airways, British Petroleum, British Overseas Airways.

WEDNESDAY, DECEMBER 7 - Board meetings: British Airways, British Petroleum, British Overseas Airways.

THURSDAY, DECEMBER 8 - Board meetings: British Airways, British Petroleum, British Overseas Airways.

FRIDAY, DECEMBER 9 - Board meetings: British Airways, British Petroleum, British Overseas Airways.

SATURDAY, DECEMBER 10 - Board meetings: British Airways, British Petroleum, British Overseas Airways.

SUNDAY, DECEMBER 11 - Board meetings: British Airways, British Petroleum, British Overseas Airways.

MONDAY, DECEMBER 12 - Board meetings: British Airways, British Petroleum, British Overseas Airways.

TUESDAY, DECEMBER 13 - Board meetings: British Airways, British Petroleum, British Overseas Airways.

WEDNESDAY, DECEMBER 14 - Board meetings: British Airways, British Petroleum, British Overseas Airways.

THURSDAY, DECEMBER 15 - Board meetings: British Airways, British Petroleum, British Overseas Airways.

FRIDAY, DECEMBER 16 - Board meetings: British Airways, British Petroleum, British Overseas Airways.

SATURDAY, DECEMBER 17 - Board meetings: British Airways, British Petroleum, British Overseas Airways.

SUNDAY, DECEMBER 18 - Board meetings: British Airways, British Petroleum, British Overseas Airways.

MONDAY, DECEMBER 19 - Board meetings: British Airways, British Petroleum, British Overseas Airways.

TUESDAY, DECEMBER 20 - Board meetings: British Airways, British Petroleum, British Overseas Airways.

WEDNESDAY, DECEMBER 21 - Board meetings: British Airways, British Petroleum, British Overseas Airways.

Table with columns: Date, Title, Venue. Lists various trade fairs and exhibitions such as 'Printing and Graphics Equip. Exh.', 'Export Services to Exporters & Conf.', 'BFF Fashion Fabrics for 78', etc.

Table with columns: Date, Title, Venue. Lists overseas trade fairs and exhibitions such as 'Int. Laboratory Exhibition', 'Building Materials Exhibition', 'Agricultural Equipment & Irrigation Exh.', etc.

Table with columns: Date, Title, Venue. Lists business and management conferences such as 'Shirley Inst. Future of Natural Fibres', 'Building Advisory Service: Handling Industrial Relations Today', etc.

Table with columns: Date, Title, Venue. Lists business and management conferences such as 'Institution of Certified Accountants: Management Today', 'Management Training Consultants: The Skills of Interviewing', etc.

Table with columns: Date, Title, Venue. Lists business and management conferences such as 'London Chamber of Commerce and Industry: U.K. Economic Prospects in 1978', 'Brunel University: Coming to Terms with White Collar Unions', etc.

Table with columns: Date, Title, Venue. Lists business and management conferences such as 'Debate on EEC report on youth unemployment', 'Debate on EEC report on science and technology', etc.

Table with columns: Date, Title, Venue. Lists business and management conferences such as 'Debate on EEC report on science and technology', 'Debate on EEC report on science and technology', etc.

Genossenschaftliche Zentralbank Aktiengesellschaft Vienna DM 100 000 000.- 6% Bearer Bonds of the Loan of 1977 (83-87). Includes a list of member banks from various countries like Germany, France, Italy, etc.

Control drink ad. spending - The Rev Harry Gibson, convener of the Church's working party on alcohol, wants controls on drink advertisements in cinema, magazines, and on boardings.

This week in Parliament - Commons - Debate on Private Member's motion on Parliamentary control of EEC legislation. Lords - Ahold Investment (Aberdeen Development) Order.

Businessman's Diary U.K. Trade Fairs and Exhibitions OVERSEAS TRADE FAIRS AND EXHIBITION BUSINESS AND MANAGEMENT CONFERENCE This week in Parliament

FINANCIAL TIMES REPORT

Monday November 28 1977

Trading with Yugoslavia

Yugoslavia has had to come to terms with imported inflation on its trade account with Western Europe—but in spite of this, its payments position continues to improve through strong invisible earnings, and it is almost in balance in its trade with the United States.

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arks

ort

ne Barling

OTHER COUNTRIES

pend heavily on major
nations as trading
Yugoslavia has
as a result of world
difficulties and the
trend towards more
trade policies.
The result was an over-
start of the year
was already bur-
by a backlog of prob-
om 1976, including
economic activity, high
stocks and a
in investments, and it
though it will end this
a visible trade deficit
a \$3.5bn.

less, this year can
red as considerably
cessful than 1976 for a
of reasons, and the plan
of retail prices and the cost
of living has increased, only
of foreign currency
The deficit is seen as to 1975 period according to
many problems, not official sources.
of Yugoslavia's own
and manageable with
development plan.
efforts to boost the

economy with the aid of
Western technology, Yugoslavia
has been confronted with
sharply rising prices for im-
ported goods and greater
reluctance by its Western trad-
ing partners to buy basic goods
in return.
This is reflected in the latest
figures for October and the first
10 months of 1977, which show
that in comparison to the same
periods in 1976, exports in
October went up in value by
5 per cent, and 6 per cent, in
the 10 months, while the value
of imports went up by 19 per
cent, and 34 per cent, respec-
tively. Actual export prices
rose by 12 per cent, and import
prices by 15 per cent, and the
overall deficit in the 10 months
increased from \$1.9bn. last year
to \$3.7bn. this year.

However, as a whole, the
country's balance of payments
position has been improving in
recent years, due largely to the
increase in invisible earnings.
The result was an overall sur-
plus at the end of last year of
2,7bn. dinars, allowing a greater
degree of flexibility in trade
policy.
There has also been consider-
able improvement in the pro-
ductivity of the country, with
industrial production now run-
ning about 22 per cent higher
than last year. Similarly there
are signs that inflation is being
held down to manageable
levels. In the present five-year
plan, manufacturing prices
of retail prices and the cost
of living have increased, only
of foreign currency
The deficit is seen as to 1975 period according to
many problems, not official sources.
of Yugoslavia's own
and manageable with
development plan.
efforts to boost the

BASIC STATISTICS	
Area	98,766 square miles
Population (1976 est.)	21.56m.
GNP (1977 est.)	\$35bn.
Per capita (1977 est.)	\$1,500
Currency: New Y. Dinar	£=YD33

TRADE (1976)	
Exports	\$4.9bn.
Imports	\$7.4bn.
Exports to U.K.	£33.5m.
Imports from U.K.	£128.3m.

Federal Parliament, also envis-
ages a slowing down of imports
and inflation, an increase in ex-
ports and a reduction of the
balance of payments deficit.
It foresees an increase in the
social product (the Yugoslav
national product) of 6 to 7 per
cent, and a further rise in in-
dustrial production, but a
slower growth of the GNP than
this year. Employment should
increase by around 3.5 per cent,
and productivity by at least as
much as that.
Investment in fixed assets
should increase by around 8 per
cent, and non-economic invest-
ment by 3 per cent, and the cost
of living should rise at a slower
rate than the 15 per cent rise
this year.
The volume of exports is
expected to rise by at least 6 per
cent, while the volume of im-
ports should remain unchanged.
The deficit in the balance of

goods or services on credit for
more than 90 days, and the
acceptance of foreign loans for
the import of goods.
They also allow the accept-
ance of foreign short-term
credits from authorised banks
and the acquisition of funds
through the issuing of promi-
sory notes on foreign financial
markets, and a range of other
financial services.
Linking in with these
measures, foreign banks are
now being encouraged to set
up operations in Yugoslavia and
applications have so far been
received from major French
and Italian banks, while inter-
est has been shown by other
European and American banks.
Apart from the obvious need
for these banks to be present
to assist in deals between com-
panies investing in Yugoslavia,
there is considerable interest in
joint ventures in third coun-
tries, particularly the develop-
ing nations.

Recent discussions have also
taken place with representa-
tives of the European Free
Trade Association countries and
were regarded as extremely suc-
cessful, but it remains a prob-
lem for Yugoslavia that its
imports from EFTA member
nations exceed exports by 34 per
cent.
But as with other meetings
which end with expressions of
mutual satisfaction, little can
be achieved without the involv-
ement of businessmen to identify
fruitful areas of co-operation
and progress towards signing
contracts.
Yugoslavia has gone a long
way in a short time, compared
with its Comecon counterparts,
in creating the incentive neces-
sary for foreign companies to
become involved, and despite
the obvious problems created
by a complicated investment
system, the rewards are there.
Experience has shown that
time is needed by potential in-
vestors to acquaint themselves
with the Yugoslav economic
system, and that mere cold
obviously be done to ease their
entry.
From Yugoslavia's point of
view, an almost ideal trade
relationship exists with the
U.S.; trade between the two
countries has been in balance
for some years, with the U.S.
able to supply the high tech-
nology equipment needed and
Yugoslavia being able to supply
mainly industrial products.
In the past three years trade
between the two countries has
been worth more than \$2bn, and
has been based to some extent
on industrial co-operation and
joint investment by companies
in both countries. Although the
trade pattern moved slightly
into America's favour in the
first six months of this year,
Yugoslavia would perhaps be
happy if that sort of problem
was the worst they had to face.

STOPANSKA BANKA SKOPJE

Head Office: 11 Oktomvri, 7,
P.O. Box 582, 91000 Skopje,
Yugoslavia
Cable: STOPBANKA
Telex: 51140 and 51472 YU-SBANK
Telephone: (091) 34-160 to 164

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Telex: 22723
Telephone: 01-405 6053/4

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trading companies.

Legislation to open doors

R ENDEAVOURS to...
Act on Performing
Economic Activities
Abroad...
Still pending is legisla-
tion on...
1974 Constitution
78 Associated Labour
slay authorities have
attempts to prepare
and regulations cover-
industrial and other
transfer of technol-
of ventures, banking
of this year the
liament passed three
of legislation: the
Exchange Operations
nal Credit Relations
External Trade in
Services Act, and
all these laws is that they sub-

INGRA

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London Representative Office:
Aerial Buildings, 56 Kingsway, London WC2B 6DX Tel. 01-405 7543/4 Telex 263348

modalities of risk-sharing, the
remuneration of the foreign
trade organisation's staff, and
the manning of foreign repre-
sentative offices and so on.
Another very important
feature is that all participants
in the manufacture of a product
exchange as part of foreign
exchange earned, by that
product being exported. The
same applies to services, like
tourism, where suppliers of
tourist facilities share in their
foreign exchange earnings.
Thus, it has been hoped,
conflicts will be avoided
between companies and between
republics and provinces as to
who owns the earned foreign
means of payment which in
Yugoslavia are scarce and much
sought-after both in order to
pay for imports and to get the
right to import.
This is important not only as
a stimulant to export but also
to avoid clashes in a multi-
national state such as Yugo-
slavia. The system will become
absolute once the dinar
becomes convertible but that
is still some years away.
A third feature of the new
legislation is making not only
the Federal Government
responsible for the balance of
payments of the country but also
the governments of constituent
republics and autonomous
provinces, and the organisations
of associated labour.
Each republic and province
will know how much foreign
exchange it is supposed to earn
—that is, through companies in
its territory—in order to be
able to spend a given amount
for imports and other needs. If
net enough is expected or
earned otherwise (through
tourism, transport, construction
work abroad, remittances, etc.)
there will not be enough to pay
for imports of goods and
services, debt service and the
like.
It has been expected that in
this way the balance of pay-
ments deficit which has been
planned for the current five-year
period 1976-1980 will remain
within planned proportions.
Linking imports to exports does
not mean that for each unit of
imports an equivalent amount
of exports has to be made.
What it does mean, however,
is that an agreed upon ratio,
different for various groups of
products and even companies,
has to be respected. Imports
may also be financed through
foreign credits but here again
the global amount for Yugo-

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JADRANBROD

Members: SPLIT, Pula, ULJANIĆ, Rijeka, JOZO LOZOVINA-MOSOR, Trogir, TITOVO BRODOGRADIŠTE-Krajevica.

in Parliament

CONTINUED ON NEXT PAGE

TRADING WITH YUGOSLAVIA III

The West remains the leading partner

THE VARIATIONS in the Western... In 1976 there was a small surplus... In the first nine months of 1977...

Failings

It has become clear that Yugoslavia's export efforts are not adequate... but high domestic demand has been absorbing many products...

Trade deficit in nine months amounted to \$3.4bn... The main reason for the deficit is the trade with developed countries... which are covered by an exports to those countries...

and industries to buy only locally produced goods.

Yugoslavia has been trying to solve those and other problems with both the national governments of the countries concerned...

A year ago a joint Yugoslav-EEC declaration was signed in Belgrade... the then premier Brijuni and the then president of the EEC Council of Ministers M. Van der Stoep...

New the Brussels Commission of European Communities is about to prepare its mandate for negotiations with Yugoslavia which will start next year...

life of the agreement.

The EEC Commission's vice-president, Herr Wilhelm Haferkamp, has visited Belgrade twice in the last couple of months and on both occasions expressed his optimism on the outcome of the negotiations...

Recently Yugoslavia has shown greater interest in EFTA and vice versa. Talks about improving co-operation, perhaps including the signature of a joint document, have been initiated and will be pursued...

Agreements

One thing is sure—Yugoslavia has no interest and no intention of weakening its ties with the West but it depends mostly on its partners how strong those ties are going to be...

In addition, the West is not a homogeneous entity. Thus Yugoslav orders will increasingly go to those developed countries which are willing to maintain relationships with it on a relatively equal footing...

where countries are willing to buy Yugoslav goods and services, and enter into industrial co-operation and joint venture agreements.

Yugoslavs believe that although their market is small, it is not negligible and imports should soon reach \$10bn a year. The importance of such markets was amply demonstrated in 1974-1975 when the recession in the West was mitigated through increased exports to countries like Yugoslavia...

Yugoslavia, at that time, was late in adopting measures to protect itself from the flood of imports under what seemed favourable terms, but has learned the lesson not to become tempted again into accepting offers to buy too much on easy credit terms.

Now there is a similar situation and Yugoslav companies have been offered equipment on credit. A few contracts have been signed but the authorities may step in unless the sellers agree to buy Yugoslav goods for at least a proportion of the credit amount.

Both the authorities and the business community here think that under present circumstances there will be less and less trade if ways and means are not found to regulate it and plan it with the partners. They are not happy about the way this has been done with their partners in the East, but the lack of longer term agreements with the West is equally unsatisfactory. For that reason new forms of agreement are being sought.

A.L.

Invisible earnings

Unfortunately there are few partners for Yugoslavia in industrialised world... The trade with Japan is poor, and the same applies to Australia... In view of the volume of trade, it is the EEC which is the real problem...

WITH A PERMANENT deficit in its balance of trade Yugoslavia has to rely on two sources of finance. One of them is borrowing abroad, and the other is its invisible earnings. The latter grew rapidly in the last decade or so, but there have been signs of deceleration in the last couple of years.

While in 1966 net invisible earnings amounted to only \$173.7m, gross earnings were \$249.5m. By 1976 they had increased to \$2,240m, gross \$2,899m, which almost offsets the deficit of the merchandise exchange. Gross inflow of foreign exchange during that period increased about 12 times while outflow increased about 10 times. Yet, with the absolute amount going up, the rate of growth slowed down, and could well be very low this year as the six-month figures seem to indicate.

In the first half this year, gross invisible earnings were \$1,239m, compared to \$1,239m in the first half last year. On the other hand, outflows increased by \$96m, from \$294.3m to \$390.3m, so that in fact net earnings were smaller. This end-year results would not be basically different from last year, with the possibility that invisible earnings could even be slightly lower.

In 1976 the distribution of the gross invisible earnings of \$2,899m was as follows: remittances of Yugoslavs abroad \$1,889m, tourism \$802.3m, and other \$199.2m.

In the first six months of 1977 remittances increased by \$64.8m, from \$858.1m to \$922.9m, tourism yielded \$18m, less (\$298.1m) and other earnings brought in only \$800,000 more, \$193.2m, compared to \$82.4m.

As may be seen, the most important source has been remittances from Yugoslavs abroad, the bulk of whom are workers temporarily employed in other European countries. Their share of the total is probably some 80 per cent. While their contribution to the balance of payments has been highly appreciated, their remittances have been considered an unstable element. With unemployment high in all West European countries there have been few opportunities for the so-called guest workers to find jobs, and these who are already there have difficulties in staying.

If new members are admitted into the European Community there will be even less chance for Yugoslavs to be employed. In addition, Yugoslav policy is to bring back as many of them as possible, for social and political reasons (there have been social problems with wives and children, or children alone staying behind in Yugoslavia). If children travel abroad with their parents there have been problems with their education, and national defence suffers, as several divisions of trained men are not at hand if needed.

these countries, which have been the main competitors of Yugoslavia, far more attractive. The interests in these countries of many tour operators also played a role. That said, it has been admitted that Yugoslav tourism has also had its shortcomings and that these, too, had a negative effect.

Now, however, the period of stagnation seems to be over and hopes have been expressed that next year, officially registered earnings will increase by between 5 and 10 per cent. That belief is based upon the fact that prices in the competing countries have gone up considerably between 27 and 40 per cent in Spain, while Yugoslav prices for 1978 will remain roughly at this year's level. Half of the offer is at unchanged prices, one quarter is below and one quarter slightly above 1977 prices.

Comprehensive analysis of the British market shows that Yugoslavia is cheaper than Italy or Greece, and equal to Spain. But petrol, (foreign tourists enjoy a 20 per cent rebate) is cheaper than in other countries, and prices of alcoholic drinks and similar goods are to be kept at this year's level.

Not all types of tourism have suffered. While there has been a fall in the number of charter flights, the number of bus cruises has been growing. There have been more visitors to camping sites as well as those preferring private rooms to hotels. There has also been a rise in the number of visitors to big cities. Especially prosperous have been nudist resorts. But although Yugoslavia has been expanding facilities for tourists who believe in total exposure of their bodies to the sun, air and water, capacity is still inadequate.

In addition to invisible earnings listed here there have been two other significant sources of foreign exchange. One is transport while the other is design and construction work carried out abroad by Yugoslav firms.

Transport and insurance earned \$591.2m, gross last year, and \$298.5m, net. Two main factors contributed towards this. First, Yugoslavia has a favourable position as a transit country for road and rail traffic between Western and Central Europe and the Middle East on the one hand, and as a maritime country whose ports are used by Central European land-locked countries on the other. (to which it should be added that it has a relatively strong merchant fleet).

Thus it had a surplus on goods transport and a deficit on other transport accounts but in the end it netted close to \$300m.

With expansion of the merchant navy, construction of new toll roads, development of river navigation in Europe and the like, earnings from this sector could be further increased. There have been estimates for 1978 that the net foreign exchange gain

from construction work abroad ranges between \$100m, and \$250m. This, however, has not been the only consideration in this sector. Factors like employing free capacity, workers and specialists, have also played a role, as well as exporting—to an unsatisfactory extent—Yugoslav-made construction machinery, construction materials, and so on. Very important, too, has been acquired experience by workers which could be considered good investment for the future.

The value of construction and design work abroad amounted to \$824m in 1976, almost one quarter more than the year before. The increase was even bigger in the work commissioned but not finished, the value of which at the end of 1976 stood at close to \$1bn.

Yugoslav construction enterprises have been active in some 40 countries, developed, developing and Communist. Among the developed countries the most important has been West Germany. Among the developing countries Libya, Iraq, Nigeria and Zambia have been leading the list, while the USSR and Czechoslovakia have been the two big partners in the East. Yugoslav construction companies have been active in searching for new markets (like Iran) and in organising co-operation or joint ventures with companies from developed countries for the purpose of joint participation in tenders and projects in developing and developed countries.

A.L.

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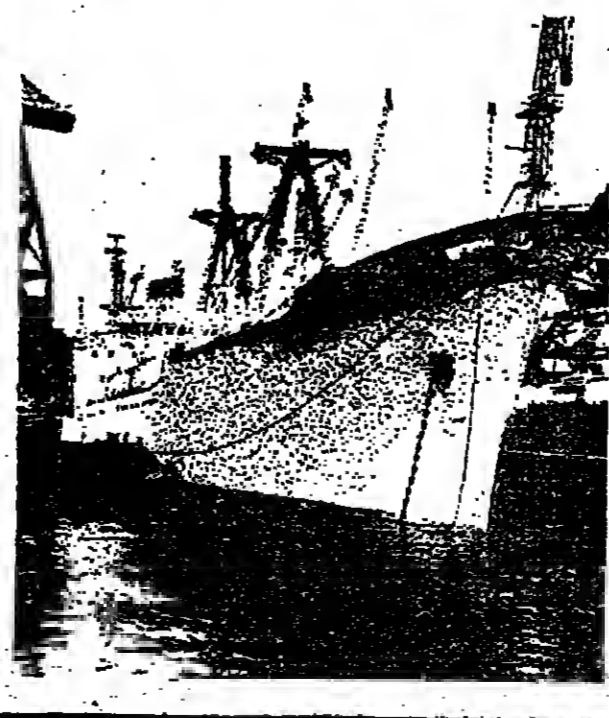
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EUROBONDS

BY FRANCIS GHILES

CURRENT EUROBOND ISSUES

Investors more confident

DESPITE THE turmoil on the currency markets and the weakness of the dollar, the bond market has continued to recover, looking in much better shape by the end of last week than it had at the beginning. Activity only really picked up on Thursday after a very thin beginning.

Prices gained between 1/2 and 1 point over the week, with the exception of Japanese convertible which fell back, some quite heavily.

The stability of Eurodollar rates seemed to be making investors more confident, but dealers' reports on the extent of retail buying were conflicting.

The absence of new paper in any significant quantity - only two new issues were announced over the week-end - coupled with the amount of funds looking for investment has meant that many dealers were buying up as much as they could.

While the Cavenham issue, which never elicited much enthusiasm, and after being priced at 99 1/2 fell in aftermarket trading.

the issue for the City of Gothenburg is said to be selling well. It is expected to be priced this afternoon.

The \$25m floating rate note for UBAF was priced at par and two other floating rate notes were announced during the week-end.

One is for Hydrocarbons Ltd., a Cayman Island registered unit of the Swiss based Hydrocarbons Int. itself a subsidiary of the Italian State owned ENI.

The second is for the French Caisse Nationale du Credit Agricole and is the first foray into this market by what is the third largest bank in the world.

This operation is no doubt part of the campaign engaged in by recent months to make the Credit Agricole known outside France as the bank pursues its way on the road to internationalisation.

In the secondary market, which was fairly featureless throughout the week the ICI convertible fell heavily after the much worse than expected fall in ICI's third quarter profits, down from £165m. to £105m. As a result the ICI share price suffered one of its sharpest falls ever.

The second sterling bond, for Total Oil Marine, was priced at par. Its market performance was less strong than that of the ECSC issue a week earlier. But on Thursday both issues were badly hit by the indicated two point rise in the Bank of England

Minimum Lending Rate. By Friday evening however, both had recovered, to close of the bottom - ECSC at 99 1/2 and Total Oil Marine at 98 1/2.

Meanwhile a third sterling issue was announced, for Finance for Industry. It was reported by Friday evening to be comfortably oversubscribed.

The most salient point about the Deutschmark sector of the market was the increase in the volume of new issues: the Norges Kommunalbank bond was increased from an initial DM150m., to DM200m., and Sweden was back in the market for DM200m. On Friday, meanwhile, the Capital Markets sub-committee approved a lot of about DM1bn. in Eurobond offerings for next month, a figure which is slightly below the November total.

The private placement for the City of Vienna and the Korea Development Bank issue, a first ever for this borrower, were priced at par while the Gensenschaftliche issue was priced at 100 1/2. The Oesterreichische Laenderbank was priced at 100 1/2. The re-emergence of more familiar names probably explains the better demand which met the issues announced this week; the Korea Development Bank had

not met with a very warm welcome.

A DM30m. five-year private placement for Kubota Limited is expected early next month. It will have a 5 1/2 per cent coupon. Head manager is Westdeutsche Landesbank.

In this market, the secondary sector was quiet, with shorter-term issues putting on about a quarter of a point towards the end of the week, possibly on currency considerations.

The amount of Swiss Franc private placements arranged in recent weeks appears to be on the increase. The total figure for private placements for the first six months of 1977 was Sw.Frs.4.2bn., well down on the figure for the equivalent period of last year - which was Sw.Frs.5.9bn.

Last year's total of Sw.Frs.10.5bn. is not expected to be reached but the figure could be higher than anticipated. While the French continue to be active, Scandinavian countries and Austria would seem to account for the renewed flurry of activity.

The World Bank will offer Y50bn. worth of bonds in the Japanese market; maturity is 15 years and the coupon 6.2 per cent. Lead manager of this issue is Yamaichi Securities.

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Table with columns: Borrowers, Amount, Maturity, Av. life, Coupon, Price, Lead-manager. Lists various Eurobond issues like U.S. DOLLARS, D-MARKS, AUSTRALIAN DOLLARS, SWISS FRANCS, AUSTRALIAN DOLLARS, KUWAITI DINARS.

BONDS TRADE INDEX AND YIELD

Table with columns: Nov. 25, Nov. 18, High, Low. Rows: Medium term, Long term, Convertible.

EUROBOND TURNOVER

Table with columns: U.S. dollar bonds, Other bonds. Rows: last week, previous week.

Indices

NEW YORK - NOV 25

Table with columns: Nov. 25, Nov. 22, Nov. 21, Nov. 20, Nov. 19, Nov. 18, Nov. 17, High, Low, High, Low. Rows: Industrials, Electrics, Transport, Utilities.

STANDARD AND POORS

Table with columns: Nov. 25, Nov. 22, Nov. 21, Nov. 20, Nov. 19, Nov. 18, Nov. 17, High, Low, High, Low. Rows: Industrials, Composite, Ind. div. yield, Ind. P.F. Ratio, Long Term Bond Yield.

Y & E ALL COMMON

MONTREAL

Table with columns: Nov. 25, Nov. 22, Nov. 21, Nov. 20, Nov. 19, Nov. 18, Nov. 17, High, Low, High, Low. Rows: Industrials, Industrial Combined, Composites.

TORONTO

Table with columns: Nov. 25, Nov. 22, Nov. 21, Nov. 20, Nov. 19, Nov. 18, Nov. 17, High, Low, High, Low. Rows: Industrials.

JOHANNESBURG

Table with columns: Nov. 25, Nov. 22, Nov. 21, Nov. 20, Nov. 19, Nov. 18, Nov. 17, High, Low, High, Low. Rows: Industrials.

GERMANY

Table with columns: Nov. 25, Nov. 22, Nov. 21, Nov. 20, Nov. 19, Nov. 18, Nov. 17, High, Low, High, Low. Rows: Industrials, Finance, Transport.

JOHANNESBURG

Table with columns: Nov. 25, Nov. 22, Nov. 21, Nov. 20, Nov. 19, Nov. 18, Nov. 17, High, Low, High, Low. Rows: Industrials, Finance, Transport.

AUSTRALIA

Table with columns: Nov. 25, Nov. 22, Nov. 21, Nov. 20, Nov. 19, Nov. 18, Nov. 17, High, Low, High, Low. Rows: Industrials, Finance, Transport.

PARIS

Table with columns: Nov. 25, Nov. 22, Nov. 21, Nov. 20, Nov. 19, Nov. 18, Nov. 17, High, Low, High, Low. Rows: Industrials, Finance, Transport.

VIENNA

Table with columns: Nov. 25, Nov. 22, Nov. 21, Nov. 20, Nov. 19, Nov. 18, Nov. 17, High, Low, High, Low. Rows: Industrials, Finance, Transport.

OVERSEAS SHARE INFORMATION

NEW YORK

Table with columns: High, Low, Stock, Nov. 25. Lists various international stocks like Anglo American, Anglo Siam, Anglo Siam, Anglo Siam.

High, Low, Stock, Nov. 25

Table with columns: High, Low, Stock, Nov. 25. Lists various international stocks like Anglo American, Anglo Siam, Anglo Siam, Anglo Siam.

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AUTHORISED UNIT TRUSTS

OFFSHORE AND OVERSEAS FUNDS

Table of authorised unit trusts including sections for National and Commercial, Overseas, and various regional funds like the British Life Office and various international funds.

Table of offshore and overseas funds, including sections for Fidelity, Kempe-Gee, and various international investment funds.

CLIVE INVESTMENTS LIMITED: Exchange Ave. London EC3V 9LJ. Tel: 01-283 1101. Clive Fixed Interest Capital: 130.51. Clive Fixed Income: 123.14.

INSURANCE BASE RATES: Property Growth: 0.75. Cannon Assurance: 7.5. Address shown under Insurance and Property Bond Tables.

CORAL INDEX: Close 462.467. Three months Tln 6915-6975.

FINANCIAL TIMES STOCK INDICES

Table of financial times stock indices showing various market indices and their values.

HIGHS AND LOWS S.E. ACTIVITY: Table showing high and low values for various stock indices.

FINANCIAL TIMES STOCK INDICES: Table showing financial times stock indices.

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HONG KONG: Table showing Hong Kong stock market data.

GAPORE: Table showing Gaope stock market data.

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INSURANCE, PROPERTY, BONDS

Large table of insurance, property, and bond offerings from various companies like Sun Alliance, Royal Exchange, and others.

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FT SHARE INFORMATION SERVICE

HOTELS—Continued

Table of hotel share prices including columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

AMERICANS—Continued

Table of American share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

BUILDING INDUSTRY—Cont.

Table of building industry share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

DRAPERY AND STORES—Cont.

Table of drapery and stores share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

ENGINEERING—Continued

Table of engineering share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

INDUSTRIALS (Miscel.)

Table of industrial share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

**BRITISH FUNDS

Table of British fund prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

CANADIANS

Table of Canadian share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

BANKS AND HIRE PURCHASE

Table of bank and hire purchase share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

ELECTRICAL AND RADIO

Table of electrical and radio share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

CHEMICALS, PLASTICS

Table of chemicals and plastics share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

ENGINEERING MACHINE TOOLS

Table of engineering machine tools share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

Five to Fifteen Years

Table of share prices for companies with 5 to 15 years of experience.

Over Fifteen Years

Table of share prices for companies with over 15 years of experience.

UNLISTED

Table of unlisted share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

COMMONWEALTH & AFRICAN LOANS

Table of commonwealth and African loan share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

BEERS, WINES AND SPIRITS

Table of beer, wine, and spirit share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

CINEMAS, THEATRES AND TV

Table of cinema, theatre, and TV share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

FOOD, GROCERIES, ETC.

Table of food, grocery, and other share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

**INTERNATIONAL BANK

Table of international bank share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

**CORPORATION LOANS

Table of corporation loan share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

LOANS

Table of loan share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

HIRE PURCHASE, ETC.

Table of hire purchase and other share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

DRAPERY AND STORES

Table of drapery and stores share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

BUILDING INDUSTRY, TIMBER AND ROADS

Table of building, timber, and road share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

HOTELS AND CATERERS

Table of hotel and caterer share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

COMMONWEALTH & AFRICAN LOANS

Table of commonwealth and African loan share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

LOANS

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HIRE PURCHASE, ETC.

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FOREIGN BONDS & RAIS

Table of foreign bond and raise share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

AMERICANS

Table of American share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

BUILDING INDUSTRY, TIMBER AND ROADS

Table of building, timber, and road share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

DRAPERY AND STORES

Table of drapery and stores share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

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HOTELS AND CATERERS

Table of hotel and caterer share prices with columns for Dividend, Stock, Price, Last, Div. Yield, and % Chg.

مكده الامم

INDUSTRIALS—Continued

Table of industrial stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

INSURANCE—Continued

Table of insurance stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

PROPERTY—Continued

Table of property stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

INV. TRUSTS—Continued

Table of investment trusts including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

MOTORS, AIRCRAFT TRADES

Table of motor and aircraft trade stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

SHIPPING

Table of shipping stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

SHIPBUILDERS, REPAIRERS

Table of shipbuilders and repairers stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

FINANCE, LAND—Continued

Table of finance and land stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

Garages and Distributors

Table of garage and distributor stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

SHOES AND LEATHER

Table of shoe and leather stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

SOUTH AFRICANS

Table of South African stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

OILS

Table of oil stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publisher stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

TEXTILES

Table of textile stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

RUBBERS AND SISALS

Table of rubber and sisal stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

TEAS

Table of tea stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

PAPER PRINTING ADVERTISING

Table of paper printing and advertising stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

PROPERTY

Table of property stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

TOBACCOS

Table of tobacco stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

MINES

Table of mine stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

INSURANCE

Table of insurance stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

FINANCE, LAND—Continued

Table of finance and land stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

FAR WEST RAND

Table of far west rand stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

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MINES—Continued

Table of mine stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

AUSTRALIAN

Table of Australian stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

TINS

Table of tin stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

OVERSEAS TRADERS

Table of overseas trader stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

COPPER

Table of copper stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

MISCELLANEOUS

Table of miscellaneous stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

NOTES

Unless otherwise indicated, prices and net dividends are in pence and decimal parts of pence. Dividends are in pence and decimal parts of pence.

REGIONAL MARKETS

Table of regional market data including London, Edinburgh, Glasgow, etc. with columns for price, volume, and other financial metrics.

DIAMOND AND PLATINUM

Table of diamond and platinum stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

3-month Call Rates

Table of 3-month call rates including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for price, volume, and other financial metrics.

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Nuclear investment
'to beat energy gap'

BY RAY DAFTER AND DAVID FISHLOCK

FORECASTS of an energy gap developing in Britain unless it prepares for high investment in nuclear power before its North Sea reserves start to run out...

Tories suspect wider Common Market powers

BY RICHARD EVANS, LOBBY EDITOR

A SIGNIFICANT area of political agreement is emerging between Ministers and Conservative leaders opposing any increase in the powers of the European Community...

THE LEX COLUMN
Capital gains and the tax man

Article about Capital Gains Tax including a graph titled 'CAPITAL GAINS TAX' and text discussing the Revenue's proposals and the Liberal Party's reaction.

Fukuda changes Cabinet ahead of economic boost

MR TAKEO FUKUDA, Japan's Prime Minister, will announce a Cabinet reshuffle to-morrow. He intends to strengthen the Government's economic team...

Writ against union after Express extra copies row

BY ALAN PIKE, LABOUR CORRESPONDENT
A WRIT has been served on the Society of Graphical and Allied Tradesmen (SAT)...

U.K. protest over export credits

BY MARGARET HUGHES
PERSISTENT rumours that France is about to break the gentlemen's agreement on export credits has prompted Mr. Denis Healey...

Weather

Table with weather forecasts for U.K. TO-DAY, BUSINESS CENTRES, HOLIDAY RESORTS, and OUTLOOK.

Cairo peace plan

He conceded that there were possibilities of attempts at active opposition. Discussing whether fanatics in the army might attempt a coup, he said: "I know my army is behind me. I think they would cast down such things without even telling me."

Advertisement for Berkley House, a building in Birmingham, listing features like 28 million population, 100 miles living area, and office space.

Vertical text on the right edge of the page, including 'do you know?' and '1 Which City has more miles of canals than Venice?'.